

The PRESIDING OFFICER (Mr. ADAMS in the chair). The reports will be placed on the executive calendar. If there be no further reports of committees, the clerk will state the first nomination in order on the calendar.

## POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

That completes the calendar.

## RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate, in legislative session, took a recess until tomorrow, Thursday, August 8, 1935, at 12 o'clock meridian.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate August 7 (legislative day of July 29), 1935*

## POSTMASTERS

## MASSACHUSETTS

James J. Dowd, Holyoke.  
Edward Thomas Murphy, Hyannis.  
John F. Finn, Stoughton.  
James H. Anderson, Ware.  
William L. Carrick, Whitinsville.

## MICHIGAN

Jack W. Foster, Bellaire.  
Ernie T. McGlothlin, Belleville.  
Joseph L. Dobbek, Ontonagon.  
John J. Corbett, Stambaugh.

## TENNESSEE

Vance C. Pendleton, Bullsgap.  
William H. Pritchett, Dresden.  
Grace G. Shell, Elizabethton.  
James R. Hobbs, Lebanon.  
Otis K. Martin, McKenzie.  
Joseph McDonald Ernest, Oliver Springs.

## UTAH

Frank Gibson Eastman, Tooele.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 7, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Add Thy blessing, our Heavenly Father, to the labor of this day. Make Thy truth and wisdom to radiate at the heart of the Congress. Let us feel that the channels between Thee and us are not clogged. Keep us courageous that we may be patient under difficulty, strong under burdens, and sweet and faithful under clouds. O let not the flesh lust against the spirit and the spirit against the flesh. Arm us against this conflict and hold us to the higher forms of living. By the intelligent and generous law of the Golden Rule dominate every sphere of our conduct. Thus shall a beneficent influence be felt through all ranks of our fellow men. O Thou who canst regulate our force, measure our gifts, and fix the bounds of habitation, we simply and humbly revere and acknowledge Thy sovereignty. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate insists upon its amendment to the bill (H. R. 5159) entitled "An act to authorize the Postmaster General to contract for air mail service in Alaska", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, and Mr. SCHALL to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2865. An act to amend the joint resolution establishing the George Rogers Clark Sesquicentennial Commission, approved May 23, 1928.

## THE ELECTION IN RHODE ISLAND

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, is this to be a speech about Rhode Island politics?

Mr. SNELL. The gentleman will know when I get through.

Mr. BLANTON. I am not going to object, because the minority leader has a right to speak, but I am just wondering if it is Rhode Island that he has on his mind.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, I have asked for this time fearing that some of my Democratic colleagues would not fully appreciate the fact that a very important political event took place yesterday in Rhode Island. In the first district of that State a special election was held to elect a Member of the House of Representatives. The congressional district in which the election was held has been predominantly Democratic. Only a short 9 months ago it returned a Democratic Member of this House by a majority of from 20,000 to 21,000. Yesterday, notwithstanding all of the influence of the administration, with all of the promises of Federal funds and Federal jobs, together with a special telegram from Secretary Ickes, the people of that district triumphantly elected a Republican Member of this House by a majority of from 12,000 to 13,000.

This is the first time this year the people of any part of the country have had an opportunity to pass directly on the new deal and the reckless and extravagant expenditures of the present administration. They have passed on that now in a very decisive manner. The Democratic candidate stood 100 percent for President Roosevelt, his administration, and the new deal.

The Republican candidate, by direction of the convention that nominated, vigorously opposed the administration, the new deal, and the reckless and extravagant expenditure of money.

There was only one issue in this campaign, and as far as the people of this district are concerned, they have settled it, and this is only a forerunner of what will happen in other parts of this country when the people have an opportunity to express themselves.

Mr. Speaker, we have heard a good deal about the change of opinion and feeling throughout the whole country during the last few months—but, of course, that was more or less conjecture and surmise upon our part, although we wanted to believe it—but yesterday's election provided definite and positive proof that that change is taking place in this country, because the people up there answered the query with their votes, which is the surest way in which the average citizen can express his opinion.

Another very significant fact in the election is that most of the communities in that congressional district voted against extra bond issues to pay their part of these various extravagant public expenditures. That shows the people of the country are beginning to realize the situation and are

opposed to continual extravagance. This victory was not confined to any one part of that congressional district, but practically every community which had not voted Republican for years went overwhelmingly Republican at this election. The people are beginning to think. One thing I want to impress upon my Democratic friends is that the handwriting is on the wall. The people of this country are going to reject the reckless expenditures of the present administration. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, may I dare to caution the distinguished minority leader [Mr. SNELL] and his party not to be so cocky because of what happened in Rhode Island yesterday, or to sit back and go fishing, or to hold their breath until the election of November 1936?

It is well known that in the election of yesterday and for some time before there was an internal dispute within the party which nominated the Democratic candidate. I am reliably informed, for instance, that in that citadel of democracy, Pawtucket, where 35,000 voters are enrolled, only 2,200 votes were cast. This is accounted for by the attitude of the boss of that city, who was recently removed as budget director by the Democratic Governor. This all worked to the advantage of Mr. Risk, the Republican candidate; but if the Republicans want to risk their chances for the future on what happened in "little Rhodey", that famous State with two capitals up to recent years, I caution them against their overconfidence.

Rhode Island has always been an enigma politically. It has never been a place where you could test out the real sentiment of the country. I invite the gentleman from New York to cause me to be killed tomorrow and then have an election in my district and find out whether or not the new deal is endorsed. [Applause.]

The information has also come to me that the Democrats of Rhode Island, like those of my city and State, nurse a grievance as to the distribution of patronage. This caused them to stay away from the polls. They have seen Republicans getting most of the jobs under Republican appointees from Washington. I understand that Rhode Island is the only State in the Union which was not treated as an integral unit, but that the heads of the governmental agencies were placed in Connecticut, with only assistants in Rhode Island.

Of course, this was not pleasing to the loyal Democrats of that old State.

We expected that today the minority would gloat and show great jubilation over yesterday's ripple in Rhode Island, just as they did when the Supreme Court held the N. R. A. was no longer effective, to the great detriment of millions of our people. In the election in Rhode Island yesterday the voters were deciding between two men, rather than as to party policies.

The investigation I have made leads me to believe that opposition to the processing tax had no effect in the election. Over 90 percent of the people took no interest in it, or were not influenced by purely local selfish interests. Nor did the administration's attitude on the death sentence have any effect. The people of Rhode Island have been crushed for years by a utility monster and would naturally sympathize with the President's desire to destroy these vultures.

Nor did the tax bill influence the election. The claims of the Republicans that increased corporation taxes would injure Rhode Island industries fell on deaf ears.

The fact is that the most surprised man in Rhode Island last night was the Republican nominee, Mr. Risk.

He had campaigned chiefly upon the claim that he was a law partner of that distinguished gentleman who was a Member of this House, the Honorable Francis B. Condon, whom we all admired and loved. In fact he was not a partner, but an office associate. He did not emphasize the fact that he was a Republican. He did not go before his

people as a standpat old-guard, rugged individual Republican. He repeatedly said, "I was a partner of your great Democrat, Frank Condon, who resigned from a distinguished career in Congress to become a judge of our highest court. I was his partner, do you hear? and if I was good enough for Frank I ought to be good enough for you Democrats who so loyally supported him for years." That was the kind of a campaign he carried on, I am informed, and it is about as significant of a change in sentiment of the people of our country toward the new deal as if Mr. Hoover's picture in the movies received a scattering applause. So, Messrs. and Mesdames Republicans, keep your feet on the ground and do not count the chickens. [Applause.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Reserving the right to object, I would like to say to the gentleman from Texas that if he mentions something about the Socialist President we have, that is what the people object to—

The SPEAKER. Permit the Chair to say to the gentleman from Pennsylvania that a reservation of the kind he has made does not entitle him to make a speech in reply to the speech that has just been made.

Is there objection to the request of the gentleman from Texas that he be allowed to proceed for 3 minutes?

There was no objection.

Mr. BLANTON. Mr. Speaker, when I first came to Congress I represented the Old Jumbo district which embraced 59 counties and ran 556 miles east and west from El Paso to Mineral Wells. The whole State of Rhode Island could have been put in one corner of it.

Rhode Island has always been a little place, insignificant in the politics of the Nation, and while there have been some big men on our side of the House from Rhode Island [laughter] there have been some very, very small things that have gone on in Rhode Island. Rhode Island, although the smallest State in this Union, during the depression has asked more of this Government, comparably, than almost any other State. It has wanted P. W. A. funds. It has wanted relief. It has wanted this and that.

Most of the fellows who have been on relief are mad at the Government because instead of getting just \$30 a month they wanted sixty and seventy and a hundred dollars a month from the Government. They are expecting jobs from the Government as a matter of right. No man has a right to depend on his Government for everything. When I was a boy I was taught that it was my duty to support my Government, yet many think it is the duty of the Government to support them.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. BLANTON. I regret that I cannot. I have not the time. I want to say that when the time comes a little later you will see a change in sentiment in Rhode Island. You wait until this Congress adjourns—and I hope it will adjourn next Saturday—you wait until it adjourns and let these 300 Democratic Congressmen get back home and mix with their constituents and let them know what has gone on here, and undo some of this rotten propaganda that the Republican press has been scattering over the United States and you will see everywhere a change in the sentiment that influenced little Rhode Island yesterday. [Applause.]

#### LEAVE OF ABSENCE

Mr. HAMLIN. Mr. Speaker, I ask unanimous consent that leave of absence be extended to my colleague the gentleman from Maine [Mr. MORAN], for 1 day, on account of illness.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### SECOND DEFICIENCY APPROPRIATION BILL—1935-36

Mr. BUCHANAN. Mr. Speaker, I call up the conference report on the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to



provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes; and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

#### CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8554) "making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 12, 18, 31, 34, 35, 38, 39, 42, 43, 47, 55, 66, 68, 71, 72, 75, 77, 84, 85, 87, and 88.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 6, 8, 9, 14, 16, 17, 19, 22, 23, 24, 25, 28, 30, 32, 33, 41, 45, 46, 50, 51, 52, 53, 54, 57, 58, 60, 61, 62, 63, 64, 67, 73, 74, 82, 86, 89, 90, 91, 92, 93, 94, 95, 96, 97, and 98, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "\$62,500, of which \$36,000 shall be available for the fiscal year 1936 and no part of such sum of \$36,000 shall be used to compensate any person at a rate in excess of \$10,000 per annum, and"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In line 6 of the matter inserted by said amendment, strike out "\$300,000" and insert in lieu thereof "\$200,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In line 1 of the matter inserted by said amendment, before the syllable "con-" insert a comma and in line 9, strike out "\$600,000" and insert in lieu thereof "\$500,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Salaries: For an additional amount for personal services, fiscal year 1936, \$45,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lines 6 and 7 of the matter inserted by said amendment strike out the following: "to remain available until expended,"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In line 7 of the matter inserted by said amendment strike out "5927-91" and insert in lieu thereof "4927-91"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "\$70,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In line 1 of the matter inserted by said amendment strike out "\$7,550,000" and insert in lieu thereof "\$3,050,000"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment before the period insert ", or so much thereof as may be necessary"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows: In line 2 of the matter inserted by said amendment strike out "1301581" and insert in lieu thereof "0301581"; and the Senate agree to the same.

Amendment numbered 76: That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Sec. 2. In all suits now pending in the Court of Claims by an Indian tribe or band which have not been tried or submitted, and

in any suit hereafter filed in the Court of Claims by any such tribe or band, the Court of Claims is hereby directed to consider and to offset against any amount found due the said tribe or band all sums expended gratuitously by the United States for the benefit of the said tribe or band; and in all cases now pending or hereafter filed in the Court of Claims in which an Indian tribe or band is party plaintiff, wherein the duty of the court is merely to report its findings of fact and conclusions to Congress, the said Court of Claims is hereby directed to include in its report a statement of the amount of money which has been expended by the United States gratuitously for the benefit of the said tribe or band: *Provided*, That expenditures made prior to the date of the law, treaty, agreement, or Executive order under which the claims arise shall not be offset against the claims or claim asserted; and expenditures under the act of June 18, 1934 (48 Stat. L. 984), except expenditures under appropriations made pursuant to sec. 5 of such act, shall not be charged as offsets against any claim on behalf of an Indian tribe or tribes now pending in the Court of Claims or hereafter filed: *Provided further*, That funds appropriated and expended from tribal funds shall not be construed as gratuities; and this section shall not be deemed to amend or affect the various acts granting jurisdiction to the Court of Claims to hear and determine the claims listed on page 678 of the hearings before the subcommittee of the House Committee on Appropriations on the second deficiency appropriation bill for the fiscal year 1935: *Provided further*, That no expenditure under any emergency appropriation or allotment made subsequently to March 4, 1933, and generally applicable throughout the United States for relief in stricken agricultural areas, relief from distress caused by unemployment and conditions resulting therefrom, the prosecution of public works and public projects for the relief of unemployment or to increase employment, and for work relief (including the civil-works program) shall be considered in connection with the operation of this section."

And the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In line 9 of the matter inserted by said amendment strike out the comma where it appears the first time and insert in lieu thereof "and"; and the Senate agree to the same.

Amendment numbered 79: That the House recede from its disagreement to the amendment of the Senate numbered 79, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$36,000,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: " : *Provided further*, That not to exceed \$1,000,000 shall be expended on the dam on the Hiwassee River"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$21,250,000"; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$60,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 13, 27, 29, 36, 37, 40, 48, 49, 59, and 65.

J. P. BUCHANAN,

EDWARD T. TAYLOR,

JOHN N. SANDLIN,

JOHN TABER,

(Except as to T. V. A.),

ROBERT L. BACON,

*Managers on the part of the House.*

ALVA B. ADAMS,

CARTER GLASS,

KENNETH MCKELLAR,

FREDERICK HALE,

L. J. DICKINSON,

*Managers on the part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8554) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1935, and June 30, 1936, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report, namely:

On amendments nos. 1 to 5, inclusive, relating to the Senate: Appropriates \$2,089.18 for furniture and \$50,000 for miscellaneous items and reappropriates the unexpended balance of the 1935 appropriation for expenses of inquiries and investigations, all as proposed by the Senate; and strikes out the appropriation of \$10,000, inserted by the Senate, for payment to the mother of the late Senator Cutting, of New Mexico.



On amendment no. 6: Makes the paragraph for salaries in the Speaker's office effective "on the date of the enactment of this act", as proposed by the Senate, instead of on "July 1, 1935", as proposed by the House.

On amendment no. 8: Appropriates \$57,040 for equipment and improvements for the Senate Office Building, as proposed by the Senate.

On amendment no. 9: Appropriates \$75,000, as proposed by the Senate, to enable the Library of Congress to provide books for the adult blind in accordance with a recent act.

On amendment no. 10: Appropriates \$62,500, instead of \$66,500 as proposed by the Senate and \$26,500, as proposed by the House, for compensation and expenses in protection of interests of the United States in matters affecting oil lands in former naval reserves and makes \$36,000, instead of \$40,000 as proposed by the Senate, of the amount allowed available for the fiscal year 1936 and limits compensation to be paid therefrom to a rate per person not exceeding \$10,000 a year.

On amendment no. 11: Appropriates \$200,000 instead of \$300,000 as proposed by the Senate for salaries and expenses of the Federal Trade Commission. The amount proposed by the Senate consisted of \$100,000 for the textile investigations and \$200,000 for milk investigations. The amount allowed provides \$200,000 for both investigations.

On amendment no. 12: Strikes out the amendment, inserted by the Senate, reestablishing the George Rogers Clark Sesqui-centennial Commission and appropriating \$50,000 additional for the memorial.

On amendment no. 14: Appropriates \$1,478,652 as proposed by the Senate for an additional amount for payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies in their relation to the United States dollar.

On amendment no. 15: Appropriates \$500,000 for the Petroleum Administration, instead of \$300,000, as proposed by the House, and \$600,000, as proposed by the Senate.

On amendment no. 16: Provides for the necessary expenses to liquidate the affairs of the former Railroad Retirement Board as proposed by the Senate amendment instead of by the House language. The House appropriation of \$35,000 is undisturbed. The effect of the Senate amendment is to clarify the House language as to authority to employ necessary personnel for liquidation purposes, to enable the President to dispose of the records and property of the Board upon completion of its work, to extend the life of the Board from August 15 to September 30, 1935, and to provide that no member of the Board or its staff should be personally liable for any action taken within the terms of the authority sought to be granted by the Railroad Retirement Act.

On amendment no. 17: Appropriates \$3,000,000, as proposed by the Senate, for the Texas Centennial Exposition as authorized by act approved June 28, 1935.

On amendment no. 18: Strikes out the appropriation of \$10,000, inserted by the Senate, for salaries and expenses of the Washington-Lincoln Memorial Gettysburg Boulevard Commission.

On amendments nos. 19 to 26, inclusive, relating to the District of Columbia: Increases by \$617, as proposed by the Senate, the appropriation for the fiscal year 1935 for judicial expenses; appropriates \$45,000, instead of \$59,120, as proposed by the Senate, for salaries for the health department; appropriates \$150,000, as proposed by the Senate, for pumping equipment and appurtenant features at the McMillan filter plant; increases the amount for settlement of certified claims by \$2,541.05, and the amount for payment of judgments by \$3,204.73, as proposed by the Senate; and inserts the appropriation of \$1,316.40 for relief of Lyman C. Drake, as proposed by the Senate.

On amendment no. 28: Appropriates \$25,000, as proposed by the Senate, for maintenance of mammal and bird reservations by the Bureau of Biological Survey, Department of Agriculture.

On amendment no. 30: Amends the House provision relating to "General expenses, Lighthouse Service", so that the appropriation shall be available during the fiscal year 1936, as proposed by the Senate, instead of the fiscal year 1935, as proposed by the House.

On amendment no. 31: Strikes out the appropriation of \$60,000, inserted by the Senate, for a fish-cultural station in the State of Nevada.

On amendments nos. 32, 33, 34, 35, 38, 39, 41, 42, 43, 44, 45, and 46, relating to the Department of the Interior: Appropriates \$10,000, as proposed by the Senate, instead of \$5,000, as proposed by the House, for contingent expenses of the Department; appropriates \$19,000, as proposed by the Senate, instead of \$10,500, as proposed by the House, for administrative expenses of the War Minerals Relief Commission; strikes out the appropriation of \$100,000, inserted by the Senate, for continuation of construction on the Mount Rushmore National Memorial; strikes out the authority, inserted by the Senate, for the use of \$4,000 of tribal funds of the Klamath Indians for the employment of attorneys; strikes out the appropriation of \$79,002.19, inserted by the Senate, for payment to the Sioux Indians; strikes out the appropriation of \$223,162.62 for compensation to the Chippewa Indians of Minnesota; strikes out the appropriations, inserted by the Senate, of \$10,000 each for the Big Bend National Park and the Everglades National Park; appropriates \$70,000, instead of \$100,000, as proposed by the Senate, for the Kennesaw Mountain Battlefield Park; appropriates \$980,000, as proposed by the Senate, to enable payments to be made to land-grant colleges as authorized by the act approved June 29, 1935; and appropriates \$3,050, as proposed by the Senate, for additional legislative expenses for the Territory of Alaska for the fiscal year 1935.

On amendment no. 47: Strikes out the paragraph, inserted by the Senate, to enable the Bureau of Investigation, Department of Justice, to expand its activities of detection and prosecution of crime to include crime prevention.

On amendment no. 50: Inserts the paragraph, proposed by the Senate, extending until June 30, 1935, the availability of \$6,000 of an appropriation for the Naval Observatory for the fiscal year 1933 to complete payment of obligations heretofore incurred under such appropriation.

On amendments nos. 51 to 56, inclusive, relating to the Naval Establishment: Provides, as proposed by the Senate, that the appropriations in the Naval Appropriation Act for the fiscal year 1936 shall be available for the pay, subsistence, and transportation of 234 officers of the Dental Corps instead of 186 such officers, as heretofore provided under such appropriation; appropriates \$10 for travel allowances, etc., Bureau of Navigation, fiscal year 1923, as proposed by the Senate; appropriates \$2,000,000 for improvements at the Naval Air Station, Pensacola, Fla., and \$1,050,000 for quarters for officers of the Marine Corps at Quantico, Va., as proposed by the Senate; and strikes out the appropriation of \$4,500,000 inserted by the Senate for a dry dock at the navy yard, Puget Sound, Wash.

On amendments nos. 57, 58, 60, and 61, relating to the Department of State: Makes the appropriation for salaries of ambassadors and ministers for the fiscal years 1935 and 1936 available to pay the salary of an Ambassador to China at the rate of \$17,500 per annum; appropriates \$300,000, as proposed by the Senate, for a site and building at Helsinki, Finland, for use of the Diplomatic and Consular Establishments of the United States; and appropriates \$2,750 and \$9,000, respectively, as proposed by the Senate, for payment of a year's salary to Germaine M. Finley and Lily M. Miller, widows of Foreign Service officers.

On amendments nos. 62, 63, 64, 66, and 67, relating to the Treasury Department: Appropriates \$36,000,000, as proposed by the Senate, instead of \$18,000,000, as proposed by the House, for payments to Federal land banks on account of reductions in interest rate on mortgages; strikes out the appropriation of \$22,000 inserted by the Senate for the reestablishment of the assay office at Helena, Mont.; and inserts the appropriation proposed by the Senate of \$482,032.92 for the payment of any indebtedness in connection with Pershing Hall and for the establishment of the Pershing Hall Memorial Fund.

On amendments nos. 68 to 75, inclusive, relating to the War Department: Strikes out the appropriation of \$1,500,000, inserted by the Senate, for the acquisition of additional land in the vicinity of West Point, N. Y.; appropriates \$122,422.43, as proposed by the Senate, for payment of the claim of the Public Service Coordinated Transport of Newark, N. J., as authorized by law; appropriates \$812.91, as proposed by the Senate, for the payment of General Accounting Office settlement under the Ordnance Department; strikes out the items, inserted by the Senate, to appropriate \$171,034.31 and \$6,462,145.35, respectively, for payment of the claims of the city of Baltimore and the State of California; appropriates \$750,000, as proposed by the Senate, for the construction of buildings for United States representatives in the Philippine Islands; appropriates \$90,300, as proposed by the Senate, for purchase of headstones for national cemeteries; and strikes out the appropriation of \$20,000, inserted by the Senate, for the establishment of a Custer Memorial Museum, Montana.

On amendment no. 76: The Senate struck out section 2 of the House bill relating to offsets, in cases in the Court of Claims by any Indian tribe or band, for sums expended gratuitously by the United States for the benefit of the tribe or band. A substitute has been inserted for the House language which differs therefrom as follows: The new section is not applicable to pending cases "tried or submitted"; expenditures made prior to the date of the law, treaty, agreement, or Executive order under which the claim or claims arise are not to be included in offsets; expenditures under the act of June 18, 1934 (48 Stat. 984), except expenditures under appropriations made pursuant to section 5 of such act (lands purchased by the United States for the benefit of Indians), are not to be charged as offsets; expenditures from tribal funds are not to be considered as gratuity expenditures; the section shall not be deemed to amend or affect the various acts granting jurisdiction to the Court of Claims to hear and determine the claims listed on page 678 of the hearings before the subcommittee of the House Committee on Appropriations on the second deficiency appropriation bill for the fiscal year 1935 (such jurisdictional acts already provide for offsets); and no expenditure under any emergency appropriation or allotment made subsequently to March 4, 1933, and generally applicable through the United States for relief in stricken agricultural areas, relief from distress caused by unemployment and conditions resulting therefrom, the prosecution of public works and public projects for the relief of unemployment or to increase employment, and for work relief (including the Civil Works program) is to be considered in connection with the operation of the section.

On amendment no. 77: Corrects a section number.

On amendments nos. 78, 79, and 80, relating to the Tennessee Valley Authority: Inserts the specification of projects, proposed by the Senate, modified so as to make clear that the specification of the Aurora Landing project and the Whites Creek project include only preliminary investigations as to each; appropriates \$36,000,000 instead of \$38,000,000, as proposed by the Senate, and \$34,675,192, as proposed by the House; and limits expenditures on the Hiwassee Dam to \$1,000,000 instead of to "\$1,000,000 exclusive of the purchase of overflowed land", as proposed by the Senate.



On amendment no. 81: Appropriates \$21,250,000 for hospital and domiciliary facilities under the Veterans' Administration instead of \$20,000,000, as proposed by the House, and \$22,000,000, as proposed by the Senate.

On amendment no. 82: Provides \$325,000, as proposed by the Senate, for a legation residence at Ottawa, Canada, and for the improvement and furnishing thereof.

On amendment no. 83: Appropriates \$60,000,000 for public buildings outside the District of Columbia under the Procurement Division, Treasury Department, instead of \$58,000,000, as proposed by the House, and \$70,000,000, as proposed by the Senate.

On amendment no. 84: Restores the House provision, stricken out by the Senate, to provide for the remodeling and extension of the old Pension Office Building for occupancy by the General Accounting Office at a total cost of \$4,700,000, with an initial appropriation of \$2,000,000.

On amendment no. 85: Strikes out the appropriation of \$200,000, inserted by the Senate, for acquisition of the building designated as 1724 F Street NW., Washington, D. C.

On amendments nos. 86, 87, and 88: Eliminate the appropriation of \$10,500,000, inserted by the Senate, for construction of buildings, utilities, and appurtenances at military posts, and makes a verbal correction in the text of the paragraph.

On amendments nos. 89 and 90: Appropriates \$10,549.85 for the payment of claims for damages to or losses of privately owned property adjusted and determined under the act of December 28, 1922, and certified to Congress after the bill had passed the House.

On amendments nos. 91, 92, 93, 94, and 95: Appropriates \$770,661.39 for payment of judgments of the Court of Claims certified to Congress after the bill had passed the House.

On amendment no. 96: Appropriates \$3,158.93 for the payment of two judgments of the Court of Claims certified to the Seventy-second Congress which were allowed by the House but disallowed by the Senate at that time. The Senate, upon reconsideration of the two judgments at this session, included them in the bill.

On amendment no. 97: Appropriates \$26,665.39, as proposed by the Senate, for the payment of claims allowed by the General Accounting Office in accordance with existing law and certified to Congress after the bill had passed the House.

On amendment no. 98: Appropriates \$7,711.14, as proposed by the Senate, instead of \$1,488.62, as proposed by the House, for payment of judgments against collectors of internal revenue and certified to Congress by the Comptroller General.

The committee of conference report in disagreement the following amendments of the Senate:

On amendment no. 7: Appropriating \$2,550,000 for air conditioning the Capitol Building and the Senate and House Office Buildings.

On amendment no. 13: Appropriating \$800,000 to enable the National Capital Park and Planning Commission to acquire additional park, parkway, and playgrounds sites in the District of Columbia.

On amendment no. 27: Appropriating \$36,000 toward eradication and control of the West Indian fruit fly and the black fly.

On amendment no. 29: Appropriating \$9,000,000 for the Department of Agriculture in carrying out the act of June 29, 1935, for scientific research and cooperative agricultural extension work.

On amendment no. 36: Providing an appropriation for an audit of the tribal funds of the Menominee Indians.

On amendment no. 37: Reappropriating \$375,000 for the Sioux Sanatorium and employees' quarters in South Dakota.

On amendment no. 40: Appropriating \$831,000 toward construction of public-school buildings in California, Washington, South Dakota, and Montana in connection with the education of Indian children.

On amendment no. 48: Appropriating \$300,000 for payment to special assistants to the Attorney General in the case of the United States versus the Pan American Petroleum Co.

On amendment no. 49: Providing that employees under the appropriation of \$281,000 for Commissioners of Conciliation, Department of Labor, may be compensated and employed without regard to the civil-service laws and the Classification Act.

On amendment no. 59: Appropriating \$12,500 for the Bureau of the Interparliamentary Union and expenses of the American group.

On amendment no. 65: Crediting the accounts of Treasury Department disbursing officers for certain expenditures made during the banking emergency, the total credit not to exceed \$25,000.

J. P. BUCHANAN,  
EDWARD T. TAYLOR,  
JOHN N. SANDLIN,  
JOHN TABER,  
(Except as to T. V. A.),  
ROBERT L. BACON,  
*Managers on the part of the House.*

Mr. BUCHANAN. Mr. Speaker, I am only going to give a few of the general results of our efforts in the conference following the amendment and passage of this bill by the Senate.

The bill, as passed by the House, contained a total sum of \$224,477,561.80. The Senate added \$83,472,369.17, a considerable addition to a measure of this size, making the bill as sent to conference \$307,949,930.97. In view of the enormous increase which the Senate made in the bill it is only just to the Senate for me to state that approximately \$40,-

000,000 of that increase was added by the Senate in response to new laws enacted by the Congress, and additional estimates under those new laws which were sent to the Senate.

That amount of \$40,000,000, had those laws been in force at the time we passed the bill and had the estimates been sent to the House, would probably have been approved and passed in the House bill. Therefore, that left \$43,472,369.17 which the Senate added to this bill that was not authorized, not estimated for, and, in my opinion, unjustified from every standpoint. Therefore, your conference managers, when they met in conference, had that question to consider. The main contention was how much of that \$43,000,000 should be approved and how much rejected. As a result of the conference the Senate receded on over \$35,000,000 of this latter sum and the House receded on only \$8,000,000. Therefore, if the House approves this conference report and our other recommendations, the bill will carry \$272,901,233.50. Comparing that with the estimates submitted to Congress and considered in connection with this bill, it shows the following result:

The total of Budget estimates on which this bill is based is \$399,449,943.13. The total of this bill, if the conference report is accepted, is \$272,901,233.50, or a reduction under the Budget estimate of \$126,548,709.63, or nearly one-third reduction in the estimate.

This is the first step toward real economy and retrenchment in Government expenditures; and, if this House will back up the Committee on Appropriations, we will have an economical Government from now on. [Applause.]

The Senate added 98 amendments to the bill. I cannot discuss them all. They are contained in the conference report. There is one piece of legislation that I wish to mention briefly, which is carried as section 2 of title I of the House bill, relating to offsets in Indian claims pending or hereafter filed in the Court of Claims, and which was stricken out by the Senate. The conferees have restored that section in amended form. The immediate effect of this provision is to bring into consideration by the court in pending Indian cases some \$125,000,000 or \$130,000,000 of gratuity expenditures by the United States, which under existing legislation could not be considered as offsets.

Many jurisdictional acts have been passed by Congress authorizing Indian tribes to file suits against the United States in the Court of Claims, and a number of bills are now pending in Congress. The total amount involved in the Indian cases now pending in the Court of Claims is \$2,900,000,000, including interest. Think of that enormous amount involved in litigation where Indian tribes are suing the Government under the special jurisdictional acts which Congress has passed. In one suit I recall the Indians sued for \$6,130,000. Offsets by way of gratuity expenditures by the United States for the benefit of the Indians allowed in that case were \$5,508,000; so the net judgment against the United States was \$622,000; yet in many of these jurisdictional acts no offset is allowed for sums expended gratuitously by the Government for the benefit of the Indians.

While the immediate effect of this provision, as I have pointed out, is to bring in as offsets some \$125,000,000 to \$130,000,000 in pending cases, it has application to cases hereafter filed so that there may be many more millions of dollars in addition that will ultimately be saved to the United States. As amended in conference it is exceedingly fair to the Indian claimants and will not deprive them of any consideration to which they may be justly entitled in prosecuting any legitimate claims they may be authorized by law to present.

In connection with this section I desire to pay tribute to the gentleman from Missouri [Mr. COCHRAN], whom we all regret has been ill. With his customary industry and solicitude for the interest of the Government, he has been diligent in endeavoring to have legislation of this character enacted. I am grateful to him for his advice and assistance in this matter.

The public-buildings item as it passed the House carried \$58,000,000. The Senate, without any hearings, without any justification whatever, so far as the record shows, without



any Budget estimate, increased this amount \$12,000,000, making the total \$70,000,000. The conference committee reduced this to \$60,000,00, and by so doing cut \$10,000,000 from the Senate increase. Time does not permit going into more detail. If any Member desires to ask about any item of the conference report I shall be glad to answer the question.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. CHRISTIANSON. I notice the conferees struck out an appropriation of \$223,000 for compensation to the Chippewa Indians of Minnesota. Can the gentleman state what reason induced the conference committee to take this action?

Mr. BUCHANAN. Is that for land?

Mr. CHRISTIANSON. I presume it is in settlement of claims presented by these Indians against the United States Government.

Mr. BUCHANAN. If it was for land—and I think it was—it was with a view to ascertaining whether or not they had ever been paid for the land. I call the gentleman's attention to a bill that came before the House not long ago providing an authorization to pay Indians for land. The diligence of the gentleman from Missouri [Mr. COCHRAN], who dug into the records, disclosed that the Indians had already been paid for the land. The bill, of course, was not passed. None of these bills authorizing the expenditure of large amounts on Indian claims ought to be allowed without an opportunity being given the Appropriations Committee to investigate it and ascertain whether or not they have already been adjusted.

Mr. CHRISTIANSON. I assume the Government keeps records which would make it possible for the committee to discover whether these bills had been paid or not.

Mr. BUCHANAN. They make them, but the records cannot always be kept. They sometimes get lost.

Mr. BACON. Mr. Speaker, if the gentleman will yield, I think the gentleman will recall that this particular item came before our committee at the very last minute. We had no hearings; we had no testimony; we had no basis on which to form a judgment. It was not an emergency, and it was the decision of the conference committee to let it go over until the next regular Interior Department appropriation bill.

Mr. BUCHANAN. The gentleman is correct. This action was taken to give us an opportunity to investigate. If there is merit in the item, we will ultimately approve it, but we want to know when we do approve it that the money is due. [Applause.]

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. ROGERS of Oklahoma. Under the provisions of amendment 76, with reference to Indian claims, whose duty will it be to ascertain the set-offs?

Mr. BUCHANAN. There will be a chance to make an investigation of the records and to certify the gratuities to the Court of Claims.

Mr. ROGERS of Oklahoma. At what stage would the Appropriations Committee provide an appropriation to pay them?

Mr. BUCHANAN. Any appropriations by the Appropriations Committee in such a matter would be in response to a judgment of the Court of Claims.

Mr. ROGERS of Oklahoma. And it will use the offsets as recommended by the General Accounting Office?

Mr. BUCHANAN. The Court of Claims will recommend that they are authorized to make the offsets themselves.

Mr. ROGERS of Oklahoma. The Appropriations Committee, then, will not have the power to say what are offsets and what are not offsets?

Mr. BUCHANAN. No. The Court of Claims will determine that.

Mr. FIESINGER. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. FIESINGER. I notice that a good deal of saving has been made in the bill. The gentleman stated a moment ago that we are now going to have greater economy in Government. Can the gentleman give us any idea when the Budget is likely to be balanced?

Mr. BUCHANAN. If the gentleman asks my opinion, I firmly believe that with the \$270,000,000 to be raised by the new tax bill just passed by the House, with the payments due on money heretofore loaned by various Government departments, with a reduction in the enormous working balance in the Treasury, we can pass through the next Congress without any additional taxation or without the issuance of any additional bonds, or increasing the national debt, except to cover appropriations heretofore made.

Mr. FIESINGER. Does the gentleman mean the Seventy-fifth Congress or the next session of the Seventy-fourth Congress?

Mr. BUCHANAN. I mean the next session of the Seventy-fourth Congress and future Congresses. [Applause.]

Mr. FIESINGER. I thank the gentleman.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to my colleague the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I went along with the conference report on all except one item, which was the T. V. A. I could not go along with an increase in an appropriation for this organization. To begin with, when we went into the situation with reference to the Tennessee Valley in the hearings, as a result of what Dr. Morgan told us the majority of the committee, and I was not one of the majority, brought in a report recommending the construction of a dam at Chickamauga because the hearings disclosed that perhaps this dam would do more toward flood control at Chattanooga than anything else. The bill went over to the Senate and it was confronted with a letter from Dr. Morgan in which he said something like this:

In the case of the Guntersville and Chickamauga sites, the rough estimates of cost which I made in my testimony before the House committee were based on very preliminary surveys and on the assumption of reasonably good foundation conditions. It is probable, especially in the case of the Chickamauga Dam, that the cost will be substantially greater. That dam may cost as much as \$25,000,000 to complete if foundation conditions are found to be troublesome.

The Chickamauga Dam would reduce flood stages at Chattanooga in times of moderate flood, but in times of greatest flood would not benefit Chattanooga. The chief value of the Chickamauga Dam and the White's Creek Dam is to provide navigable depths above Chattanooga on the Tennessee River.

We were told by Dr. Morgan that the Chickamauga Dam would substantially help flood conditions at Chattanooga by from 3 to 4 feet, if I remember correctly.

Then Dr. Morgan adds this:

We are strongly of the opinion that the Fowler's Bend Dam on the Hiwassee River should be included in the approval of the committee for the following reasons.

He goes on and tells us that that would help flood conditions more than the other.

When we in the House have this bill up for consideration we are told and the House is argued into a position of building the Chickamauga Dam, but when the bill gets over to the Senate we are told that the Chickamauga Dam is practically worthless and they want the Hiwassee Dam and in that way they get both. I cannot go along with that kind of an operation because I do not believe it is treating the Treasury of the United States right. This dam ought to wait until it has been demonstrated that there is some legitimate use for same.

Mr. McREYNOLDS. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. McREYNOLDS. The gentleman is speaking of the Hiwassee Dam?

Mr. TABER. Yes.

Mr. McREYNOLDS. And is not speaking of the Chickamauga Dam?

Mr. TABER. The gentleman is correct. I am opposed to the Hiwassee proposition being added on what seems to be a pulling-and-hauling proposition which ought not to be allowed.



Mr. McREYNOLDS. The Chickamauga and Guntersville Dams are not before the House?

Mr. TABER. They are not before the House at this time.

Mr. McREYNOLDS. They were put in the House bill?

Mr. TABER. The gentleman is correct. The Chickamauga Dam was put in the House at the request of the gentleman from Tennessee [Mr. McREYNOLDS]. I think when we are told a thing they should stand by that statement and we should not be jerked and hauled all over the lot.

Mr. BUCHANAN. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. ROGERS].

Mr. ROGERS of Oklahoma. Mr. Speaker, in the second deficiency appropriation bill as it passed the House section 2 of the bill contained a provision that gratuities from the Government to Indians should be considered as offset against any future claims that might be allowed to the Indians. The bill went to the Senate and the Senate struck section 2 from the bill. The measure then went to conference and the conferees reported back to the Senate and to the House a modification of section 2 of the original House bill, known as amendment no. 76.

Mr. Speaker, by amendment no. 76, reported by the conferees, section 2 of the deficiency appropriation bill has been modified so as to provide that the United States may offset against Indian tribal claims expenditures made under appropriations authorized by section 5 of the Indian Reorganization Act of 1934.

Section 5 authorizes appropriations for acquisition of lands to be held in trust for individual Indians and Indian tribes.

Section 15 of the Indian Reorganization Act provides that Federal expenditures made under said act shall not be deducted from any future judgment which any Indian tribe may secure against the United States on any claim. That was a declaration by Congress to the Indians that in giving them the opportunities of self-government, education, and conservation, development, and acquisition of land, the Government was not going to do anything to prejudice or in any manner affect the existing tribal claims of the Indians against the United States—claims which were ever uppermost in the minds of the Indians.

The amendment no. 76 is, therefore, a violation of the stated policy of Congress, but it is more than that. It will constitute the first declaration by Congress that its former promise, expressed only last year in section 15 of the Indian Reorganization Act, was meaningless. It is one more weapon in the hands of the Indians and their friends to support their charge that the Federal Government, in its dealings with the Indians, makes a promise only to break it.

This provision permitting offsets of expenditures authorized by the Indian Reorganization Act has no place in this appropriation bill, nor for that matter in any appropriation bill, and I am sorry it has been included in the pending proposal.

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Capitol, Senate and House Office Buildings: For providing and installing complete air-conditioning systems, Capitol, Senate and House Office Buildings, including all necessary structural alterations required for such installations, \$2,550,000, to remain available until June 30, 1937, and to be expended by the Architect of the Capitol, and the Architect of the Capitol is hereby authorized to enter into contracts in the open market, to make expenditures for material, supplies, equipment, accessories, advertising, travel expenses and subsistence therefor, and, without regard to section 35 of the Public Buildings Act, approved June 25, 1910, as amended, or the Classification Act of 1923, as amended, to employ all necessary personnel, including professional, architectural, engineering, and other assistants: *Provided*, That said air-conditioning systems shall be procured and installed after competitive bidding on the

whole project in accordance with the provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5).

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. BUCHANAN moves that the House recede from its disagreement to the amendment of the Senate no. 7, and agree to the same with an amendment as follows: In lieu of the matter inserted by such amendment insert the following:

"Air conditioning, Capitol, Senate and House Office Buildings: For providing and installing air-conditioning systems, Capitol, Senate and House Office Buildings, including all necessary structural alterations required for such installations, fiscal years 1936 and 1937, \$2,550,000, to be expended by the Architect of the Capitol and to include expenditures for material, supplies, equipment, accessories, advertising, traveling expenses, and, without regard to section 35 of the Public Buildings Act, approved June 25, 1910, as amended, or the Classification Act of 1923, as amended, the employment of necessary personnel (including professional architectural, and engineering services)."

Mr. BUCHANAN. Mr. Speaker, this is an item put on the bill by the Senate to provide air conditioning for the Capitol, the Senate Office Building, and the two House Office Buildings.

I have offered an amendment to the Senate amendment so it will be more practicable and permit the work to be done in more than one contract. So far as I am individually concerned, I care nothing about air cooling, and I propose to vote against it; but this item relates to the comfort, the pleasure, and the work of every Member of the House, and whenever an amendment relates only to the Members of the House I believe they should pass on it directly and express their will. Therefore it is brought here for you to vote upon and determine.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment no. 13: Page 10, after line 3, insert:

"NATIONAL CAPITAL PARK AND PLANNING COMMISSION

"For the work of the National Capital Park and Planning Commission necessary toward carrying into effect the provisions of section 4 of the act approved May 29, 1930 (46 Stat. 482), providing for a comprehensive park, parkway, and playground system of the National Capital, etc.; personal services in the District of Columbia, including real-estate and other technical services, at rates of pay to be fixed by the Commission not exceeding those usual for similar services and without reference to civil-service rules and the Classification Act of 1923, as amended; travel expenses; survey, searching of titles, and all other costs incident to the acquisition of land; reimbursements to be made as prescribed in such act, as amended, fiscal year 1936, \$800,000, to remain available until expended."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. BUCHANAN moves that the House recede from its disagreement to the amendment of the Senate no. 13, and agree to the same with an amendment as follows: In line 15 of the matter inserted by said amendment strike out the following: ", to remain available until expended."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 27: On page 29, after line 14, insert:

"West Indian fruit fly and black fly: For determining and applying such methods of eradication and control of the West Indian fruit fly and black fly as in the judgment of the Secretary of Agriculture may be necessary to eradicate these pests from the State of Florida, fiscal year 1936, \$36,000: *Provided*, That no expenditures shall be made for these purposes until there has been provided by the State of Florida funds and means which in the judgment of the Secretary of Agriculture are fully adequate to effectively cooperate in the accomplishment of these purposes: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees or other property destroyed."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.



The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 29: On page 30, after line 18, insert:

" MISCELLANEOUS

"To carry into effect the provisions of an act entitled 'An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges', approved June 29, 1935, as follows: For special research work by the Department of Agriculture, including the employment of persons and means in the District of Columbia and elsewhere, and for payment to the several States, Hawaii, Alaska, and Puerto Rico for research work, pursuant to the authorizations contained in title I of said act, \$1,000,000; and for payments to the States and the Territory of Hawaii for cooperative agricultural extension work, pursuant to the authorizations contained in section 21 of title II of said act, \$3,000,000; in all, fiscal year 1936, \$9,000,000: *Provided*, That the Secretary of Agriculture is hereby authorized and directed to ascertain and certify to the Secretary of the Treasury, on or before September 1, 1935, as to Puerto Rico and each State and Territory, whether it has assented to the provisions of the act of June 29, 1935, and is entitled to receive its share of the appropriations herein provided: *Provided further*, That the allotments due July 1, 1935, shall be payable upon such certification by the Secretary of Agriculture to the Secretary of the Treasury (U. S. C., title 5, secs. 511, 512; act June 29, 1935)."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 36: On page 36, after line 7, insert:

"Menominee Indians: The appropriation of \$20,000 from tribal funds of the Menominee Indians, Wisconsin, for the purpose of making an audit of such funds and for other purposes, contained in the Interior Department Appropriation Act, fiscal year 1936, approved May 9, 1935, is hereby made available for the expenses of such audit from and after February 1, 1935, and the contract or contracts for such audit may be made retroactive to February 1, 1935."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 37: On page 36, after line 15, insert:

"Conservation of health among Indians (Sioux Sanatorium and employees' quarters, Pierre, S. Dak.): The unexpended balance of the appropriation of \$375,000 (including the amount impounded under section 320 of the act of June 30, 1932), contained in the Interior Department Appropriation Act, fiscal year 1932, and continued available by the acts of April 22, 1932, and February 17, 1933, for the construction of the Sioux Sanatorium and employees' quarters at Pierre, S. Dak., is hereby reappropriated and made available for the same purpose until June 30, 1937."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. BUCHANAN moves that the House recede from its disagreement to the amendment of the Senate no. 37, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Conservation of health among Indians (Sioux Sanatorium and employees' quarters, South Dakota): The unexpended balance of the appropriation of \$375,000 (including the amount impounded under section 320 of the act of June 30, 1932), contained in the Interior Department Appropriation Act, fiscal year 1932, and continued available by the acts of April 22, 1932, and February 17, 1933, for the construction of the Sioux Sanatorium and employees' quarters at Pierre, S. Dak., is hereby reappropriated and made available until June 30, 1937, for such a sanatorium and employees' quarters at such place in South Dakota as the Secretary of the Interior shall select."

The motion was agreed to.

The Clerk read the next amendment in disagreement, as follows:

Amendment no. 40, page 38:

"Construction, enlargement, or improvement of public-school buildings: For cooperation with public-school districts in the construction, enlargement, or improvement of local public elementary or high schools, including purchase of necessary equipment, as authorized by and in conformity with numerous acts of the Seventy-fourth Congress approved June 7, 1935, fiscal year 1936, \$931,000, as follows: Queets, Wash., \$10,000 (Public, No. 111);

Glacier County, Mont., \$100,000 (Public, No. 103); Wolf Point, Mont., \$50,000 (Public, No. 104); Polson, Mont., \$40,000 (Public, No. 105); Lake and Missoula Counties, Mont., \$100,000 (Public, No. 106); Brockton, Mont., \$40,000 (Public, No. 107); Poplar, Mont., \$25,000 (Public, No. 108); Marysville, Wash., \$38,000 (Public, No. 110); Frazer, Mont., \$25,000 (Public, No. 109); White Swan, Wash., \$50,000 (Public, No. 112); Covelo, Calif., \$50,000 (Public, No. 113); Shannon County, S. Dak., \$125,000 (Public, No. 114); Big Horn County, Mont. (district No. 27), \$80,000 (Public, No. 119); Blaine County, Mont., \$15,000 (Public, No. 120); Medicine Lake, Mont., \$25,000 (Public, No. 127); Hardin and Crow Agency, Big Horn County, Mont. (district 17-H), \$158,000 (Public, No. 126): *Provided*, That plans and specifications for construction, enlargement, or improvement of structures shall be furnished by local or State authorities, without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs actual work shall proceed under the direction of such local or State officials. Payment for work in place shall be made monthly, on vouchers properly certified by local officials of the Indian Service: *Provided further*, That any amount expended hereunder shall be reimbursed to the United States within a period of 30 years, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the districts involved, or by the acceptance of Indian pupils in such schools without cost to the United States."

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 40 and agree to the same with an amendment as follows:

The Clerk read as follows:

In lieu of the matter inserted by the second proviso in such amendment insert the following: "*Provided further*, That any amount expended on any project hereunder shall be recouped by the United States within a period of 30 years, commencing with the date of occupancy of the project, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the district involved, or by the acceptance of Indian pupils in such schools without cost to the United States; and in computing the amount of recoupment for each project, interest at 3 percent per annum shall be included on unrecouped balances."

The motion was agreed to.

The Clerk read the next amendment in disagreement, no. 48, page 45 of the bill, as follows:

Payment to special assistants to Attorney General: For compensation in full to special assistants to the Attorney General for services rendered by them in the case of the *United States v. Pan American Petroleum Co.* (B-115M, in equity), in the United States District Court for the Southern District of California, fiscal year 1936, \$300,000.

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate, no. 48, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert "\$176,767."

The motion was agreed to.

The Clerk read the next amendment in disagreement, no. 49, page 47 of the bill, as follows:

*Provided*, That officers and employees may be appointed and paid from the amount herein appropriated without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended.

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 49 and agree to the same, with an amendment, as follows:

In lieu of the matter inserted by said amendment insert the following: "*Provided*, That officers and employees may be appointed and paid from the amount herein appropriated without regard to the provisions of the civil-service laws requiring competitive examinations: *Provided further*, That said officers and employees (except commissioners of conciliation) shall be required to take non-assembled examinations."

The motion was agreed to.

The Clerk read the next amendment in disagreement, no. 59, page 57, as follows:

Bureau of Interparliamentary Union for Promotion of International Arbitration: For an additional amount for United States contributions to international commissions, congresses, and bureaus, including \$2,500 for the contribution of the United States toward the maintenance of the Bureau of Interparliamentary Union for Promotion of International Arbitration in addition to the amount contained in the Department of State Appropriation Act, 1936; and \$10,000 for the expenses of the American group of the Interparliamentary Union, including personal services in the Dis-

trict of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, stenographic reporting and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), such lump sum as may be determined by the president of the American group payable to each member and the permanent executive secretary of the group to cover all expenses of travel and subsistence, notwithstanding the provisions of any other act; purchase of necessary books, documents, newspapers, periodicals, and maps, stationery, official cards, printing and binding, entertainment, and other necessary expenses, to be disbursed on vouchers approved by the president and executive secretary of the American group; in all, fiscal year 1936, \$12,500.

Mr. BUCHANAN. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 59 and agree to the same with an amendment.

The Clerk read as follows:

In lieu of the matter inserted by said amendment insert the following: "Bureau of Interparliamentary Union for Promotion of International Arbitration: For an additional amount for United States contributions to international commissions, congresses, and bureaus, including \$2,500 for the contribution of the United States toward the maintenance of the Bureau of Interparliamentary Union for Promotion of International Arbitration in addition to the amount contained in the Department of State Appropriation Act, 1936; and \$10,000 for the expenses of the American group of the Interparliamentary Union, including personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, stenographic reporting, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5), traveling expenses, purchase of necessary books, documents, newspapers, periodicals and maps, stationery, official cards, printing and binding, entertainment, and other necessary expenses, to be disbursed on vouchers approved by the president and executive secretary of the American group; in all, fiscal year 1936, \$12,500."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 65: Page 62, after line 8, insert: "The Comptroller General of the United States is authorized and directed to allow credit in the accounts of Guy F. Allen, chief disbursing officer, Division of Disbursement, and J. L. Summers, disbursing clerk, Division of Disbursement, for disbursements made from the fund "Expenses, National Banking Emergency Act, March 9, 1933, Comptroller of Currency", during the period March 6, 1933, to July 1, 1934, in connection with the emergency arising out of the national banking crisis and disallowed by the Comptroller General of the United States: *Provided*, That such total credit shall not exceed the sum of \$25,000."

Mr. BUCHANAN. Mr. Speaker, I move to recede and concur with an amendment which I send to the desk.

The Clerk read as follows:

In line 10 of the matter inserted by said amendment, after the word "states", insert the following: "for any reason except fraud."

The SPEAKER. The question is on the motion to recede and concur with an amendment.

The motion was agreed to.

A motion to reconsider the votes by which the foregoing motions were agreed to was laid on the table.

#### THOMAS JEFFERSON MEMORIAL COMMISSION

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the present consideration of House Concurrent Resolution No. 33, which I sent to the desk and ask to have read.

The Clerk read as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That in the enrollment of H. R. 8554, the second deficiency appropriation bill, fiscal year 1935, the Clerk of the House of Representatives is authorized and directed to strike out the word "year" in line 17, page 10, of the engrossed bill, and insert in lieu thereof the following: "years 1935 and."

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

#### AMERICAN RETAIL FEDERATION

Mr. FORD of Mississippi. Mr. Speaker, by direction of the Committee on Accounts I present for immediate consideration, a privileged resolution from that committee, which I send to the desk and ask to have read.

The Clerk read as follows:

#### House Resolution 284

*Resolved*, That House Resolution 226 is hereby amended by striking out "\$2,500" and inserting in lieu thereof "\$27,500."

Mr. SNELL. Mr. Speaker, will the gentleman state what this is?

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. If the gentleman has this considered as a privileged resolution, will we have an opportunity to comment?

The SPEAKER. The gentleman from Mississippi has an hour.

Mr. RICH. Will the gentleman yield me 10 minutes?

Mr. FORD of Mississippi. Yes.

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. FORD of Mississippi. Mr. Speaker, recently the House unanimously passed a resolution authorizing an investigation of the American Retail Federation, supposed to be a lobbying organization engaged in lobbying for the passage of legislation beneficial to chain stores and chain organizations. After the passage of that resolution the House authorized an expenditure of \$2,500, and the Speaker appointed a committee, which committee has been engaged in investigating the activities of that organization. Pretty soon after the investigation began the American Retail Federation broke up, and it became necessary for the committee to employ experts and go thoroughly into an investigation in order to ascertain the facts. Since that time the House has passed a resolution authorizing a wider investigation. The committee has been engaged in making this investigation and has expended most of the \$2,500 which the House heretofore appropriated for that expenditure. The investigating committee now comes back to the Committee on Accounts and asks for an additional sum of \$25,000. The Committee on Accounts has heard testimony and has had a few of those who are engaged in the investigation before it, and has reached the conclusion that an additional sum of \$7,500 would be ample to conclude the investigation in order that they might report to the Congress and the Congress might take action in the passage of such legislation as is deemed wise.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. FORD of Mississippi. Yes. I yield to the gentleman from Kentucky.

Mr. MAY. How long has the committee been engaged in the investigation it has made, and has it had any investigation other than in the city of Washington?

Mr. FORD of Mississippi. I am not sure about that. I am going to yield some time to my colleague from Texas, Mr. PATMAN, the chairman of the investigating committee, and I am sure that he can explain the matter thoroughly to the House.

Mr. MAY. And they are asking now an additional sum of \$25,000?

Mr. FORD of Mississippi. The committee has recommended \$7,500 additional to the \$2,500, which will make a total of \$10,000.

Mr. KNUTSON. But the Clerk read the resolution and it provides for \$25,000.

Mr. MICHENER. Do I understand the gentleman to say that the committee asked for \$25,000?

Mr. FORD of Mississippi. The investigating committee asked for an additional \$25,000.

Mr. MICHENER. And the Committee on Accounts has allowed them \$7,500 additional?

Mr. FORD of Mississippi. Yes.

Mr. MICHENER. How much has been allowed for all?

Mr. FORD of Mississippi. That will make a total allowance, provided the House approves this resolution, in the sum of \$10,000.

Mr. MICHENER. And the committee asked for how much?



Mr. FORD of Mississippi. Twenty-five thousand dollars additional was asked in this resolution. Two thousand five hundred dollars has heretofore been authorized. Therefore, a total sum of \$27,500 was requested.

Mr. MICHENER. It seems to me that if the committee making the investigation has proceeded and now asks for \$25,000 that the Committee on Accounts would not be doing them any good to give them only \$7,500.

Mr. FORD of Mississippi. After due consideration, and after talking to the members of the investigating committee, the Committee on Accounts felt that with the \$7,500 additional the investigating committee could make a thorough investigation and present such facts to the Congress as would enable the Congress to pass legislation it might desire.

Mr. SNELL. This is House Resolution 284?

Mr. FORD of Mississippi. Yes.

Mr. SNELL. A copy of the resolution which I have in my hand asks to strike out \$2,500 and insert \$27,500.

The SPEAKER. If the gentleman will yield, the Clerk will report the amendment.

The Clerk read as follows:

The Committee on Accounts, having given consideration to the above resolution, recommend that the same do pass with the following amendment:

"In line 1 strike out all after the word 'Resolved' and insert the following in lieu thereof: 'That there shall be paid out of the contingent fund of the House on vouchers authorized by the special committee created under House Resolution 203, or by any subcommittee thereof conducting such investigation not to exceed an additional amount of \$7,500, including expenditures for the employment of experts and clerical, stenographic, and other assistants, said vouchers to be signed by the chairman of the committee and approved by the Committee on Accounts.'"

Mr. FORD of Mississippi. I think the reading of the amendment answers the question of the gentleman from New York.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker—

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. TABER. Mr. Speaker, it seems to me that the proponents of this proposition should give some legitimate reason why this should be allowed before the opponents are given their time. What does the gentleman think about that?

Mr. RICH. Mr. Speaker, I think that is very good information for the House, and we would like to have it. We would like to know why they are going to ask for this money and what they are going to do with it.

Mr. TABER. Mr. Speaker, in view of that situation, I make the point of no quorum right now.

The SPEAKER. The Chair will count.

Mr. TABER. Mr. Speaker, I withdraw the point of no quorum. The gentleman from Pennsylvania is going to reserve his time, and the gentleman from Texas [Mr. PATMAN] will explain the bill.

Mr. RICH. Mr. Speaker, I reserve my time.

Mr. FORD of Mississippi. Mr. Speaker, I yield 15 minutes to the gentleman from Texas [Mr. PATMAN].

#### INVESTIGATION OF CHAIN-STORE LOBBY

Mr. PATMAN. Mr. Speaker, about 3 months ago the Speaker of the House appointed a special committee of this House composed of the gentleman from New York, Mr. BLOOM; the gentleman from California, Mr. DOCKWEILER; the gentleman from Illinois, Mr. LUCAS; the gentleman from New Jersey, Mr. McLEAN; the gentleman from New York, Mr. COLE; the gentleman from Wisconsin, Mr. BOILEAU; and myself to investigate the American Retail Federation. The committee was appointed by reason of the passage of a resolution in this House on April 24, 1935. The resolution was offered by the gentleman from Missouri [Mr. COCHRAN], who alleged that there was being established in Washington what is known as a "super lobby." The resolution names the different officials of different large organizations that were interesting themselves in this organization and were behind it. One of the objectives, as set forth in the resolution, is the following:

Whereas it is apparent that said American Retail Federation is organized for the purpose of increasing the profits of big business, through lobbying tactics, designed to prevent small businesses from securing competitive opportunities equal to those enjoyed by corporations representing vast aggregations of capital.

#### BIG BUSINESS AGAINST LITTLE BUSINESS

Therefore the objective was to find out if big business was organizing to squeeze out and destroy small business in this country. It is set forth in this resolution.

It says further:

Whereas the gigantic sum of \$750,000 has already been pledged or contributed to this superlobby by the greatest aggregation of rich and powerful department stores and chain stores of America ever brought together for the purpose of directly or indirectly nullifying the effects of the N. B. A., the A. A. A., the Sherman Act, the Clayton Act, and other antitrust laws now on the statute books of this Nation, and by propaganda and other methods inimical to the public welfare, to attempt to control and influence the Congress of the United States in its legislative deliberations; and

Whereas it is further reported that this superlobby, the American Retail Federation, is now proceeding upon a plan designed to force the small independent retail merchants of America, engaged in the sale of the necessities of everyday life, to contribute an additional \$2,000,000 annually to the funds available to this organization in its lobbying activities, and for the further purpose of permitting it to disseminate propaganda among the consumers and producers of the United States; and

Whereas it is inimical to the welfare of the citizens of the United States to permit the organization and functioning of such a superlobby, designed for the purpose of intimidating and influencing Members of Congress through direct and subversive lobbying activities, as well as through coercing hundreds of thousands of underpaid employees throughout the Nation to flood the respective Members of the United States Congress with letters, petitions, and propaganda designed to improperly and untruthfully represent the public sentiment of the respective constituencies of said Members of the Congress.

Whereas it is apparent that the achievement of any or all of the purposes of said American Retail Federation will react to the detriment of the farmer, the wage earner, and the consumer, on the one hand, and will serve to injure the employers of labor and the laboring man, on the other hand.

#### MANY ORGANIZATIONS INVOLVED

The resolution lists a number of different organizations that are advertised as being members of this superlobby to be set up here in Washington.

The resolution further states it is alleged that the sum of \$750,000 has already been pledged or contributed to this superlobby by the greatest aggregation of rich and powerful department stores and chain stores of America, and so forth. Then it asks that a special committee of seven be appointed and directed to investigate the aforesaid American Retail Federation, its capitalization, its membership, its objectives, and the sources of its funds, and its financial connections, its officers or agents, and to investigate the record of stock dividends, officers' salaries, profits, interlocking directorates, and the banking affiliations of all corporations directly affiliated with or contributing to the said American Retail Federation.

#### LITTLE EXPENSE EXPECTED

The gentleman from Missouri [Mr. COCHRAN] was chairman of the first committee appointed. On account of illness he was unable to serve, and I was appointed in his place. Mr. COCHRAN did not expect to spend much money by reason of the passage of this resolution. He expected to use Federal Trade Commission representatives. After Mr. COCHRAN resigned and I was appointed, the Federal Trade Commission furnished us several representatives. Using those representatives, we started to make the investigation. By reason of additional duties imposed upon the Federal Trade Commission, the Federal Trade Commission was forced to withdraw those employees, and we could not use them any longer. Therefore we must have employees of the committee do this work if we are to carry out the mandate of this resolution which was passed by the House of Representatives.

#### ONLY \$2,500 APPROPRIATION

In starting out with an appropriation of \$2,500, of course, we did not know whether we would need any more or that much, but we have almost spent the \$2,500 in the 3½ months' time we have been working. We have conducted hearings in Washington. Oftentimes we have been compelled to pay as much as \$75 a day for services of reporters,



when we could not get the committee reporters. That is quite an expense. The reporters work on a statutory-fee basis. It was also necessary that we have a good clerk and a stenographer. My telephone calls average from 75 to 125 a day over two telephones, and at least 50 percent of these calls are about this investigation. Besides, the correspondence is very heavy. We have at least 35 personal callers a day at the office by reason of this investigation.

#### GREAT INTEREST MANIFESTED

As evidence of the interest that has been manifested in these hearings, permit me to invite your attention to the fact that the Government Printing Office has probably sold more copies of the hearings before this committee than the Government Printing Office has ever sold of hearings before any special committee. Just the other day we had printed the consolidated hearings up to July 31. When those hearings were printed, the committee could only get 1,000 copies. I am letting each Member of the House have one, and I am dividing the others among the members of the special committee, and we are keeping some in reserve in order that we may have completed sets when the hearings are concluded. The Government Printing Office is selling these books for 60 cents each.

#### COPIES SOLD BY GOVERNMENT PRINTING OFFICE

It costs the Government about 25 cents to print them, because thousands of them have been purchased for \$250 a thousand when ordered in thousand lots. The Government, therefore, is making a profit on these publications, and I predict that the Government's profit will be a substantial sum of the amount that is appropriated to make this investigation. Anyone may purchase a copy of the first volume, containing 507 pages, from the Superintendent of Documents, Government Printing Office, Washington, D. C., for 60 cents.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. McCORMACK. When this investigation started, it was for the purpose of investigating a lobby, as I understand, was it not?

Mr. PATMAN. Yes.

Mr. McCORMACK. Now you are investigating a business, are you not?

Mr. PATMAN. No; except what is authorized in the resolution and the amendment. It is part of the same thing. The resolution reads to the effect that the big concerns have organized for the purpose of squeezing out the small concerns.

Mr. McCORMACK. But the original resolution provided for the investigation of a lobby.

Mr. PATMAN. I am talking about the original resolution. I ask the gentleman to read it himself.

Mr. McCORMACK. But we were told on the floor about some association down here that was raising money and that this resolution was passed for the purpose of investigating that association.

Mr. PATMAN. We are investigating it.

#### QUESTIONNAIRES SENT OUT

Mr. McCORMACK. I understand that now the gentleman's committee has sent out questionnaires calling upon business men to make certain reports that the gentleman's committee has followed up by three different questionnaires, one asking what stock they own and what stock members of their families own. Is that correct?

Mr. PATMAN. We are carrying out the mandate of the House of Representatives. One question was asked about stock ownership. Several objected to answering this question as to small blocks of stock, and they were told it would be unnecessary to answer it as to a small ownership of stock. We have tried to be fair and considerate. Some of these officials do not like to give up the information we are seeking, and naturally they are hard to please.

Mr. McCORMACK. But we were told—

Mr. PATMAN. Let me answer the gentleman's question. He cannot ask a question and expect me to answer it while he asks another; let me answer the gentleman. Let me read

a part of what the resolution says. It is 5 pages long. The resolution reads:

A special committee of seven, to be named by the Speaker, be created and is hereby authorized and directed to investigate the aforesaid American Retail Federation, its capitalization, its membership, its objectives, the source of its funds, its financial connections, and its officers and agents, and to investigate the record of stock dividends, officers' salaries, profits, interlocking directorates, and banking affiliations of all corporations directly affiliated with, or contributing to, said American Retail Federation.

The resolution further provides:

*Resolved*, That for the purpose of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places in the United States, whether or not the House is sitting, has recessed, or has adjourned, to require, by subpoena or otherwise, the attendance of such witnesses and the production of such books and documents, to administer such oaths, and take such testimony as it deems necessary and advisable.

No questionnaire has been sent out by this committee that does not comply with this resolution that was passed by the House of Representatives, I will say to the gentleman from Massachusetts.

Mr. McCORMACK. We were specifically informed, as I remember, that this was for the purpose of investigating some proposed lobby. I understand, however, that it is going into a complete investigation of the business which the Federal Trade Commission has recently completed, after 2 or 3 years' work, and the questionnaires have been sent out to legitimate business men asking what stock they own and what stock members of their families own.

Mr. PATMAN. I should much prefer the gentleman did not take up all my time.

Mr. McCORMACK. I am sure the gentleman can get more time. I think the investigation is pretty far-reaching.

Mr. PATMAN. I think if the gentleman will examine the resolution and will examine the questionnaires he will find that the questionnaires comply with the resolution passed by this House. If it does not comply with it, we will make it comply with it. If we have asked for information not authorized by the resolution, we shall certainly not insist on it.

#### QUESTIONNAIRES CAREFULLY PREPARED

The questions were prepared by the Federal Trade Commission representatives. We got those representatives who were connected with the chain-store investigation conducted by the Federal Trade Commission so they could better prepare the very questionnaire to which probably the gentleman refers. The questionnaires were prepared and sent out in compliance with this mandate. The resolution was passed by the House of Representatives, and we are still doing and expect to continue to do exactly what the House had in mind when this resolution was passed.

#### INVESTIGATION MISREPRESENTED

It is true there have been lots of reports put out about this investigation. The truth of it is, Mr. Speaker, we have gotten under the skin of some of these fellows; we are really getting pay dirt. We are investigating in a different way than any other special committee or the Federal Trade Commission has in respect to this matter. We are disclosing things that never have been disclosed, and that is the reason there is such an enormous demand for these hearings. Thousands and tens of thousands of copies are being sold. It is because of the interest in what we are doing and the disclosures that we are making. To get down to brass tacks, it is a fight between the big department stores joined with the big chain organizations and the independent merchants of this country.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. COLMER. As I understand the purpose of this investigation, it is to show that the small, independent merchant is being discriminated against by the chain stores; and that if this investigation discloses such a state of affairs, then remedial legislation will be offered to Congress to correct the situation.

Mr. PATMAN. That is exactly right; that is one of the purposes.



Mr. COLMER. To give the independent merchant an opportunity to exist.

Mr. PATMAN. The heads of these organizations got together for the purpose of trying to force their viewpoint upon the American people through the newspapers, over the radio, and in every way in which people are communicated with. That is what they did. The chain-store executives and department-store heads did that. One of the witnesses before our committee testified that he paid one newspaper in his town \$300,000 a year advertising bill. Probably that would have no significance were it not for the fact that the other big department stores in all the other large cities in this country pay similar sums to their newspapers, get together for the purpose of getting their information in their way to the people of this country and force the chain-store theory upon the American people. That is what they are expecting to do. They are pooling their resources, power, and influence for the purpose of keeping the American people from getting the truth about the chain stores.

Mr. MAY. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Kentucky.

Mr. MAY. I am very much in sympathy with the gentleman's proposal, but may I inquire whether or not the gentleman and his committee already have sufficient information to enable the Congress to enact the necessary legislation to stop these evils without the expenditure of further funds in making an investigation?

Mr. PATMAN. If we had sufficient information we would not ask for additional funds. I told the committee frankly I did not think we would need \$25,000. The committee suggested \$25,000, but I told them frankly that I did not believe we would need \$25,000; therefore they cut it down to \$7,500.

We have not employed lawyers. We are our own lawyers. We are doing the work ourselves. The committee has met on Sundays; it has met at night and has worked overtime on this investigation, because we feel that it is in the public interest. We are not going to spend a penny more of this money than we have to spend in order to do the right kind of a job and do just exactly what the House told us to do when we were appointed members of the special committee.

Mr. MAY. I read a bill which the gentleman from Texas introduced, and I thought it covered the question very thoroughly. That was some 2 months ago. Have the gentleman and his committee discovered anything new since the date he drafted that bill?

Mr. PATMAN. Yes. We are making new discoveries every day in reference to discriminations in prices, and, may I say to the gentleman, that the Federal Trade Commission did not report what we are reporting. The Commission was not charged with such a duty. The Federal Trade Commission dealt in statistics largely, but not wholly. We are disclosing names and secret debates. For instance, we had one witness who appeared before our committee who disclosed more than 300 contracts that his large chain concern had with manufacturers, giving him secret rebates and secret discounts which independent merchants did not and could not get. The independent merchants of this country are forced to pay such a high price for their goods that the chain stores can sell the goods for the same price that the independent merchants must pay for their goods, and make enormous profits, pay enormous dividends, and high salaries.

#### CHAIN-STORE LOBBY TRIES TO STOP INVESTIGATION

The Committee on Accounts, that reported this resolution which authorizes the additional appropriation of \$7,500 for this investigation, is composed of the following members:

Lindsay C. Warren (chairman), Mell G. Underwood, Joe Starnes, A. L. Ford, James Wolfenden, John J. Cochran, Charles Kramer, Nat Patton, Jared Y. Sanders, Jr., Leo E. Allen, and Donald H. McLean.

The chain-store lobby here in Washington, which has as its membership 160 chain-store organizations, has been bombarding the members of this committee with all kinds of false and misleading information, endeavoring to stop an appropriation for our committee, which would stop the investiga-

tion. They have showered the members of the committee with all kinds of letters and documents trying to discredit our committee, doing everything within their power to bring the investigation to a halt. This chain-store lobby has even gone so far as to protest to the Speaker of the House against the continuance of this investigation. They were absolutely unsuccessful. I appreciate the fact that this committee and the Speaker have not yielded to any extent or to any degree to this enormous pressure and influence. They are not the kind of men who will yield under such circumstances, where selfishness and greed is on one side and the public welfare is on the other side. It is gratifying to me, as chairman of the committee, to know that our committee is supported by the Speaker of the House, the Accounts Committee, and practically all the Members of the House.

The original resolution, House Resolution 203, was amended June 4, 1935, to read as follows:

And to investigate the trade practices of individuals, partnerships, and corporations engaged in big-scale buying and selling of articles at wholesale or retail and their associations.

#### NEWSPAPERS' SHORT-SIGHTED POLICY

Many managers of newspapers yield to the influence of large department stores and the chain-store organizations because of the tremendous amounts paid to them for advertising. Very little has been seen in many newspapers about our investigation, although startling and astounding facts have been disclosed for the first time. These newspaper managers are overlooking the fact that when the chain stores get control that they will quit advertising in the newspapers. They will do what many of the chain stores are doing today where they have control in a community. I have in my possession an advertisement of the J. P. Morgan & Co. Safeway Stores. It is the same size as a 4-page newspaper. It is prepared to be addressed and mailed to any box holder at a post office or on a rural route. This is the kind of advertising they will do when they get control in your community. The newspapers are wrong in permitting this valuable means of communication and vehicle of dissemination of knowledge and information to be influenced by the chain stores and department stores or big business generally. The people have an interest in newspapers. Newspapers exist partly by reason of Government bounty. A weekly newspaper does not have to pay postage on newspapers sent to subscribers in the county where the newspaper is published. This free franking privilege cost the Government \$7,554,355.43 last year. The Government also lost more than \$26,000,000 on the cost of carrying daily newspapers through the mails last year. The daily newspapers paid the Government \$7,944,479.33 as postage last year, whereas it cost the Government \$34,218,224.20 to render the service. All other publications, including publications exempt from zone rates, such as the Safeway circular, caused the Government a loss of more than \$35,000,000 last year. Parcel post, alone, cost the Government a loss of \$19,057,955.07.

No newspaper should be influenced against the public interest. I do not claim that all of them are influenced against the public interest, but certainly with the enormous bounties and subsidies given to newspapers they should be fair in every way and give both sides of every question a fair amount of space, and not permit chain stores, department stores, or any other group to influence their actions or policies.

#### SEVERAL SPEECHES ON THIS SUBJECT

I have made several speeches in the House of Representatives on the subject of independent merchants and the destruction of independent business by chain stores. I have told the Members of the House much about what one trade journal has described as "the motive behind the world's greatest lobby organization."

#### FUTURE COURSE OF COMMITTEE

Our committee, if this appropriation is allowed, expects to make an investigation of the following: First, lobbying activities of the American Retail Federation, its members and those cooperating with it; second, discriminations in price that are beneficial to large chain-store concerns and detrimental and unfair to independent merchants.



I believe that our committee has much constructive work ahead of it; that we will make disclosures that will not only save the independent merchants of the country and expose a deceitful and treacherous lobby of chain- and department-store executives but will prevent a policy being continued that will eventually destroy our Nation. The people who built this country in time of peace and saved it in time of war are entitled to at least the same rights, privileges, benefits, and opportunities as the largest chain- and department-store concerns in America. They are not asking for more—they are asking for that much. No fair person should deny them equal benefits and equal rights, thereby establishing in this country a policy of equal rights to all and special privileges to none.

#### GOOD COMMITTEE

I feel indebted to the Speaker for appointing such a fine group of Members of the House to assist me in making this investigation. They are all good, hard-working, conscientious men. They have the interest of the people at heart. They desire to promote the general welfare. They have worked long hours, Sundays, holidays, and nights with me in making this investigation or doing work in connection with it. I am personally greatly indebted to them for their very valuable aid and assistance.

[Here the gavel fell.]

#### COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Interstate and Foreign Commerce, which is conducting hearings on food and drug legislation, may be permitted to sit during the sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

#### AMERICAN RETAIL FEDERATION

Mr. FORD of Mississippi. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, I want to say just a word along the line suggested by the gentleman from Massachusetts [Mr. McCORMACK]. I think I know as much about how this resolution originally started as anyone. I do not usually quote a man who is not present to defend himself, but I am so sure of my position now that I shall quote the gentleman from Missouri [Mr. COCHRAN], who, unfortunately, is ill at the present time.

He presented this resolution to me and asked me about it. I said I did not know much about the matter, but suggested that it go to the Rules Committee, allowing them to make an investigation to see what they wanted to do. He said:

It is so simple I think the Rules Committee will agree to it without having a hearing. The only thing I intend to do is to investigate the lobbying of this organization that was set up here in Washington with General Sherrill at the head of it.

He said further:

I can do the work with my own committee, and I doubt that there will be much expense. The work certainly will be done here in Washington, and that is the only intent and purpose of the resolution.

I think the gentleman from Missouri made practically the same statement on the floor of the House when the resolution was being considered. This resolution never would have gone through by unanimous consent, I can assure the Members, if it was intended to make an investigation of all kinds of business and duplicate the work being done by the Federal Trade Commission. I do not think that was the intention of this House when the investigation was started, and I can see no reason for doing that now.

Mr. Speaker, I think we have gone far enough and we should let the Federal Trade Commission, which has all of the facilities for making such investigation, proceed to make it. The trouble is if you make an investigation of this kind it is out of date tomorrow and another one will have to be made. The Federal Trade Commission is the instrumentality to do this work, and we ought to let them do it.

Mr. McCORMACK. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It is my understanding that the Federal Trade Commission has recently made a very exhaustive investigation.

Mr. SNELL. They are continually making such investigations.

Mr. McCORMACK. And at a tremendous expenditure of money.

Mr. SNELL. We appropriate millions of dollars for them to do this work. This is a duplication of effort, and everybody knows it.

Mr. McCORMACK. Confirming the statement which the gentleman from New York made concerning the gentleman from Missouri, may I say that the gentleman from Missouri [Mr. COCHRAN], who is a friend of mine, spoke to me about this matter and specifically said that this was for the purpose of investigating a lobby of some kind, without mentioning any names, and that he had nothing else in mind.

Mr. SNELL. That is exactly what he stated to me.

[Here the gavel fell.]

Mr. FORD of Mississippi. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, the resolution now before us requests \$7,500 for the continuation of an investigation. I read in the RECORD a few days ago some of the statements made by the gentleman from Texas [Mr. PATMAN], and I agree with him that a lot of information is given there which is vital to the welfare of this country when we speak of doing business with the little fellow. I think if and when great, large corporations are permitted to give secret rebates that are going to eventually affect little industries of this country, we are certainly doing harm to the small-business man. On the other hand, it seems to me that the committee in charge of this investigation, if they are permitted to work at a time when the clerks are not on vacation and when the Congress has adjourned, might be able to do a lot of this work without additional cost. It seems to me that we ought to be as economical as possible in trying to save the resources of this country. This is imperative.

Mr. Speaker, I appreciate that this investigation is going to entail a lot of work on the part of the members of this committee, but the Members of Congress, like other Government officials, are being paid for their time. When we give them an assignment of this kind it seems to me that they ought to utilize their own time in making the investigation without cost to the taxpayers. We have a lot of clerks that will soon be at the service of this committee and I have no doubt that various committees of the House have experienced men who can give additional information, also public stenographers can be used, and I should like to ask the gentleman from Texas if this amount could not be pared down so he can go into just the things that are vital with respect to the secret rebates being paid and then draft a bill prohibiting such practices. It seems to me if we would enforce the Sherman antitrust laws and enforce the laws prohibiting these great consolidations of business we would prohibit great injustices. It would not require this amount of money to do the work that the committee eventually will do after they have had exhaustive hearings and have gone into the details with respect to some large corporations.

Mr. PATMAN. Does the gentleman want me to answer the question?

Mr. RICH. I should like for the gentleman to answer it.

Mr. PATMAN. I do not think so. Of course, I cannot tell the gentleman all that we would like to do, because it would be like hunting ducks with a brass band, but I may assure the gentleman that we convinced the Committee on Accounts that certainly this amount of money is reasonable, and if it is not used it will be turned back. I was chairman of an investigating committee once before and I turned back about 50 percent of the amount appropriated for that purpose, and I can assure the gentleman that not one penny of this amount will be expended unless it is in the interest of the public welfare and spent pursuant to the resolution.

Mr. RICH. I may make one further observation with respect to a number of these investigations. Sometimes we have investigations that go into a lot of things that pertain



to private individuals and do not pertain to the question of whether the large corporations are injuring small business or not. It seems to me that a number of the investigations by Members of Congress have been more along the line of snooping. I do not think we should stoop so low as to indulge in this practice, which I am sure we will all agree is entirely wrong. In so doing we do more harm than good.

[Here the gavel fell.]

Mr. FORD of Mississippi. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, any man who understands business and who has sat behind a selling desk in this country where he sold goods to the chain stores, whether in the drug, hardware, clothing, or food business, if he has a streak of human kindness in him knows the need of this investigation. Why is there an attitude in this country today against big business. It is because of the way big business conducts itself, and this is the only reason. [Applause.] There is no reason for big business to conduct itself the way it does in this country. I favor big business. I want big business because through its agencies great service, low-unit costs, mass production of comforts for our people can come, and I do not know any other way we can secure these comforts. I have been around enough to know this, and, furthermore, there is no investigation that this Congress ever dreamed of that is more greatly needed today than is this investigation. It will show up some of the sins of bigness and thus help save big industries for the good of our people. It will assist in helping to protect big business from its own nefarious schemes which will otherwise most likely continue.

You cannot run this country without home-owned retail stores. You cannot run this country with mismanagement of big business, and as one who has been through the mill, as one who has been put in the sweatbox by the chain stores, as one who has suffered with the little merchants of this country, I know what is going on, and I know that the Federal Trade Commission reports do not show what this investigation is bringing out. If the Federal law and procedure permitted, I would prefer financing the investigation myself rather than see it die. This is how much I believe in it, and in doing so it would be in the interest of the retail merchants of the United States in the various lines of industry, and our total population.

Mr. LUNDEEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. LUNDEEN. I should like to raise the amount from \$7,500 to \$25,000.

Mr. CRAWFORD. Before this committee can make the investigation which it should make, it will have to visit the larger industrial centers of this country and call before the committee the men who are giving these rebates. I can give you the names of scores of them and I can tell you what a lot of the rebates have been and I can show you how this is crucifying the little merchant in the small town, because I have made it an important part of my business in the last 20 years to pick up some of these facts and figures, and I just cannot believe this House will refuse this \$7,500 for this purpose, if the committee needs it. If it does not need it, let it turn the money back, and I hope when we get to the end of the road, if it needs some additional money we will let it have it.

If there is any one thing that we should do now, it is to give further encouragement to the small home-owned retail merchandiser of this country, so he can stay in business and operate against the chain. He cannot do this if the men who sit at the selling desks, selling these different commodities, are to continue the crucifying, special, inside rebates. Why, they will take the buyer of a big chain store out on the golf course and bet him \$100 a shot and lose the bet in order to get a cash rebate to him if they cannot get it to him in any other way. They will use the most ingenious devices to give these special rebates, and this is what is causing your big chains to grow so much more rapidly than they would otherwise.

Mr. PATMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. CRAWFORD. I yield.

Mr. PATMAN. The gentleman probably knows that more pressure was brought to bear on the members of the Committee on Accounts against this resolution than probably any other resolution that has been presented. The chain-store organizations have filed one letter after another protesting against this investigation. They have even gone so far as to appeal to the Speaker of the House and file letters with him protesting against the continuance of the investigation.

[Here the gavel fell.]

Mr. FORD of Mississippi. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, I want to say to the Membership of the House that I believe the chairman of this special committee is honestly and sincerely trying to conduct this investigation in order to get information to give to the House in the public welfare.

It is my opinion that the Federal Trade Commission has performed a very valuable service. I have always been an advocate of appropriating sufficient funds for the Federal Trade Commission because I believe that their investigations are of immeasurable benefit to the people of the country. I commend them for their report on the chain-store investigation. I think they have put into the record some very valuable information, but I say to the Membership of this House that if we ever expect to arouse public opinion in this country, if we ever expect to have the people of this country stand back of and support legislation in the interest of the independent merchants of our country, if we expect the people of this country to demand that the Congress of the United States enact legislation that will prohibit secret rebates and other advantages being given by the manufacturers to the chain stores, then we must do something in addition to what the Federal Trade Commission has done. We must bring this matter out into the open. We must let the people of the country know what chain stores are getting rebates, advertising allowances, and other advantages that wholesalers and independent merchants are not getting. We must bring this out from under cover.

I believe this investigation has thus far succeeded in familiarizing the country with some of the conditions that exist. We must continue this investigation so that we will get sufficient information to show the need of legislation to protect the small business man, the backbone of our country, to protect American individualism against continuing encroachment by the powerful few—to protect our people from the continuous encroachment of those who would do all the business and create further mergers, monopolies, and combinations and control not only the manufacturing but the distribution of the necessities of life.

I say to the Membership of this House that as one member of this special investigating committee I shall support the chairman in making as thorough an investigation as this appropriation will provide. I shall do what I can in assisting him to bring this matter into the open, and I shall co-operate to the extent of my ability, as will the other members of the committee, in keeping the expenses down as low as possible and to get for the American people and for this Congress as much information as we can with the appropriation entrusted to this committee.

Mr. FORD of Mississippi. Mr. Speaker, I move the previous question.

The SPEAKER pro tempore (Mr. McREYNOLDS). The gentleman from Mississippi moves the previous question.

The question was taken, and the previous question was ordered.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution as amended.

The resolution, as amended, was agreed to.



## CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and twenty-five Members present, not a quorum.

Mr. MEAD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The doors were closed.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 157]

Adair	Ditter	Hennings	Pettengill
Andrew, Mass.	Dockweiler	Hess	Peysner
Andrews, N. Y.	Doutrich	Hildebrandt	Quinn
Arnold	Drewry	Hoffman	Ransley
Bankhead	Duffey, Ohio	Hook	Reece
Bell	Dunn, Miss.	Keller	Rogers, N. H.
Berlin	Eaton	Kennedy, Md.	Romjue
Bolton	Elcher	Kimball	Rudd
Brown, Mich.	Evans	Kniffin	Schaefer
Buckley, N. Y.	Fenerty	Lamneck	Seger
Bulwinkle	Ferguson	Lehlbach	Shannon
Cannon, Wis.	Fernandez	Lesinski	Stack
Cartwright	Fish	Lucas	Stewart
Cary	Fitzpatrick	McAndrews	Stubbs
Caviechia	Frey	McGroarty	Sullivan
Chapman	Fulmer	McKeough	Sutphin
Claiborne	Gasque	McMillan	Sweeney
Cochran	Gifford	Martin, Mass.	Thomas
Cole, N. Y.	Gilchrist	Miller	Thurston
Connery	Goldsbrough	Monaghan	Tinkham
Cooper, Ohio	Goodwin	Montague	Underwood
Corning	Gray, Pa.	Moran	Wadsworth
Cox	Greenway	Murdock	Walter
Culkin	Greenwood	Oliver	Weaver
Darden	Guyer	O'Malley	Welchel
Darrow	Hancock, N. Y.	Owen	Wilson, Pa.
Dietrich	Hancock, N. C.	Parks	Wolfenden
Dirksen	Hartley	Perkins	Wolverton

The SPEAKER pro tempore. Three hundred and seventeen Members are present, a quorum.

Mr. TAYLOR of Colorado. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

## WAR IS COMING—WHAT CAN WE DO TO ESCAPE IT?

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a radio address I delivered last evening.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, in Europe, Africa, and the Far East the seeds of war are being sown. The danger of war is not visionary and far away—it is near and real. I believe the Congress of the United States owes a sacred duty to humanity, and especially to the fine young men of America who are potential cannon fodder, to do something to keep this country out of war. I believe the most effective way to accomplish this result is to adopt the resolution I have introduced which provides for a referendum on war and for taking over of war properties by the Government in case of war, so as to remove the profit incentive to war. If my resolution is adopted, America will not enter another war unless that action is approved by a majority of the men and women who comprise the American Nation. If my resolution is adopted, a small coterie of men and women comprising the Congress of the United States, subjected to the intense heat applied by special interests, pulled and hauled, cajoled and bullied by the factors demanding war, will not render the judgment as to whether there shall be war or peace, but that judgment will be rendered by those who, if war comes, will have to do the suffering and the dying and to pay the awful costs of war. Time is precious. Every day finds our State Department drawn closer to the web of international complications. In view of the world situation House Joint Resolution 167 (the war referendum resolution) has become a measure of the utmost importance which deserves and should receive the immediate attention of the Congress.

Mr. Speaker, the views expressed above were elaborated by me in an address over the American Broadcasting Co.'s net-

work yesterday evening and by unanimous consent of the House that address is herewith presented in the CONGRESSIONAL RECORD with a request that all who are feeling concern over the trends and tendencies of the times will give it their serious attention. The address follows:

ADDRESS BY HON. LOUIS LUDLOW, OF INDIANA, ON THE SUBJECT "WAR IS COMING—WHAT CAN WE DO TO ESCAPE IT?" DELIVERED OVER THE AMERICAN BROADCASTING CO. NETWORK, TUESDAY, AUG. 6, 1935

In Italy, war lords are manufacturing chemicals to burn the feet off of Ethiopians. Eight-year old Italian children are being feverishly trained and regimented for use as future cannon fodder. In Ethiopia, meanwhile, defensive plans are going forward to turn loose ferocious lions and tsetse flies on invading Italians, the lions to tear them limb from limb and the tsetse flies to infect them with sleeping sickness. More terrible than bullets is the misery spread by that deadly insect whose victims, when spared the mercy of death, become raving maniacs or hopeless idiots. In that sunburned and parched land of the tropics, where the rays of the sun pour down like molten lava and where water is the only soothing and revivifying element, the wells in the pathway of the invading hordes are to be poisoned and agonized death awaits the Italian boys who drink from those polluted sources of water supply. In Italy, monster bombs are being manufactured to be dropped from airplanes on Ethiopian centers of population for the purpose of blowing black men, women, and children to bits.

While all of this damnable hellishness is taking shape in preparing for a war which seems certain to come, and the ultimate ramifications of which no living person can foresee, what are we doing to safeguard America from involvement in another world conflict? The answer, be it said to our everlasting disgrace, is that we are doing nothing worth while. We are drifting, drifting, drifting. There are sins of omission quite as monstrous as sins of commission and in this matter of protecting America from the next war, which invention and science and the modern refinements of cruelty will make the most terrible war of all time, we are sinning away our days of grace.

While we loil in the false security of the ostrich that sticks its head in the sand the ropes are tightening to drag us in. Our State Department is being caught on diplomatic barbs that will ultimately lead us to God knows where. Given a little more time and the munitions manufacturers will begin to say, "Here's our chance to make a cleaning!" As nation after nation is drawn into the maelstrom, the international financiers will begin to say, "Our investments in foreign countries are in peril. America must go to war to help our financial allies and to protect our holdings." Some Judas-minded citizens, posing behind the false masks of patriots, will say, "We are going through the worst depression in our history and something must be done about it. The way to solidify our Nation and to save our Government from collapse is to go to war."

These compose a mighty group of influences. Such influences have dragged countries into war in the past. Such influences will drag our country into war in the future unless the people of America arise in their might and in grim determination take the power of declaring war in their own hands.

It is to protect America from being inveigled into war by selfish, scheming, conniving influences that I have introduced in the Congress of the United States a resolution (H. J. Res. 167) which proposes to amend the Constitution by providing that except in the case of invasion the people shall have the right to say by a majority vote in a national referendum whether or not war shall be declared. With the people themselves is where the power to declare war should reside. That is where sovereignty abides. What could be more fundamentally right than that the people who have to do the suffering and the dying and to pay the awful costs of war should have something to say as to whether war shall be declared?

I venture tonight to state that, except possibly in a few rare instances where a resort to arms is justified, war with all of its hellishness would disappear from the earth if the people had a free, fair, and honest opportunity to express themselves on that issue. Wars are not made by the people. They are made by rulers and by heartless, greedy, conspiring selfish interests that wish to coin power and dirty dollars out of human blood. Does anyone imagine that innocent Italian boys—God bless them—want to go against the wild lions and the tsetse flies and to drink of the poisoned wells of Ethiopia? Does anyone imagine that the fathers and mothers of Italy, the peasants who have watched with tender solicitude over their sons from infancy until they arrived at the age of cannon fodder, want to see their flesh and blood sacrificed on such an ungodly altar? No; a thousand times no. War on Ethiopia is not being declared by the people of Italy. Held, as they are, in the mailed grip of a dictator to whom they must render lip service, they appear to be supporting the proposed war of aggression but it is Mussolini who is declaring war, and not the people of Italy, and if the unfortunate people of Italy had the same free and untrammelled right to declare themselves on the issue of war and peace that I propose for the people of America in my war referendum resolution there would be no war between Italy and Ethiopia. It must be tragically disappointing to all who pray for the progress of the human race to reflect that the Italian domination of Mussolini is not greatly different from Italy of the Caesars. Two thousand years ago trembling captives were thrown to wild beasts in the Coliseum at Rome and the dictator of today wantonly hurls his own subjects among the wild lions and the tsetse flies of Ethiopia. Truly, history repeats itself.



Congress, which now has the power to declare war, cannot and will not keep us out of future wars. Congress did not keep us out of the last World War. Congress will not keep us out of the next world war. When the stage is all set for war, when the drums are beating and the fanfare is on at full blast and all the potential influences are brought to bear to force a declaration of war Congress is unable to stand the pressure. Congress cracks under the strain and the war resolution is adopted. This was strikingly illustrated the last time war was declared. Many Members were pressed into voting for war against their inclination and their best judgment. I have been told by a good many Members of that Congress that their votes for war will be a lingering regret to haunt them as long as they live.

Remember, also, that the frailty of Congress as the agency for declaring war would be emphasized if unhappily we had a bloodthirsty dictator in the White House. Fortunately, we now have a peace-loving President who is striving to preserve America's neutrality and to keep us out of future conflicts, but who knows what type of President the next one will be, or the one after the next one? Suppose the next President should be a man of the opposite type—a tyrant with a longing for dictatorial powers? With the world in its present unsettled condition how long do you think it would be until a President of that headstrong type could maneuver us into war?

Some idea, I think, may be obtained from the way the Congress has abdicated its powers to the President in an economic emergency far less vital to the Nation than war would be. Say what we will, Congress during the economic depression through which we are now passing, has surrendered its authority to the President as completely as if it had adopted a formal resolution saying, "We hereby abdicate our powers in favor of the President, to be exercised as he deems best during the period of the emergency." Having done that in an economic situation, how much more certain is it that the Congress would yield—lock, stock, and barrel—to the President in a graver crisis, when the atmosphere of war has been created.

I repeat that 531 men and women, comprising the Congress of the United States, cannot stand up under the impact of the terrific pressure that will be brought to bear to force a declaration of war, and it is unfair to ask them or to expect them to do so. They are not the ones who should decide this question. The decision should be made not by the agents but by the principal, and in this case the principal is the 125,000,000 people who comprise the American Nation. The people to decide whether or not America shall go to war are the men and women who will have to support war, if war comes—the men who will have to die and the women who will have to do most of the suffering. They should decide this question in the secrecy of the ballot booth with only God as their witness. In the privacy of the booth, untrammelled and unafraid, they can register the dictates of their consciences, and the verdict of the referendum will then be the true thought and judgment of the people.

In a nation established on the bed-rock principle of Jefferson that "all men are created equal" there never has been any argument that amounts to anything against allowing the people to vote on a declaration of war, except one. The one and only argument related to the length of time required to hold a referendum which it was contended in an emergency and great crisis might cause a delay that would jeopardize national interests. That argument might have been good in the stage-coach days, but it is not good now. Modern invention has sponged it out of existence. The one and only true objection to a war referendum has been eliminated by the telephone and telegraph, by fast trains, air mail, and radio. The express train now roars its way across the continent in 100 hours, the airplane in less than one-fourth of that time. Sitting before the microphone at this moment I am speaking to listeners thousands of miles away. Communication in this modern age is not only rapid—it is instantaneous. If the President of the United States were to go on the radio and tell the people of the United States that the time had come to take a referendum on war and that circumstances required speedy action, how much time—or rather how little—do you think the process would require?

War, at this hour, broods over Europe, Africa, and the Orient. It is a time for action. Delay is criminal negligence. If my proposed referendum is adopted, the fathers and mothers of America will have the right to say in the ballot booth whether their sons shall be sacrificed to wild lions, tsetse flies, and poisoned wells in an alien land on the other side of the globe. They will have a right to say whether their sons shall be sent into the hell of a foreign war, to be slaughtered or to be returned home with broken bodies and shattered minds, and all of the light of life blotted out. A declaration of war is not an idle and inconsequential thing. It signs the death sentence of the fine young manhood of the United States, and certainly it is important enough a matter to entrust to the composite judgment and conscience of America.

How many of you who are listening in are with me in this fight? If you approve my efforts, if you wish to be among those earnestly striving to keep America out of war and thus trying—God helping you—to render a major service to humanity, write to the United States Representatives and Senators from your State, urging them to support House Joint Resolution 167—the war referendum resolution—and send me a copy of your letter. Swords are rattling and war drums are beating. Now is the time for action.

#### MAINTAINING OUR NEUTRALITY

Mr. KLOEB. Mr. Speaker, I ask unanimous consent to extend my remarks by including a radio address made by me last evening.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KLOEB. Mr. Speaker, under leave to extend my remarks in the RECORD I include a radio address delivered by me on invitation by the National Broadcasting Co. over a Nation-wide hook-up on August 6, 1935.

The radio address follows:

My Friends: When a man becomes a Member of Congress he is assigned to serve on a committee. He soon realizes that the scope of government is so large as to make it necessary for him to specialize in the problems that come before his committee. As a member of the House Committee on Foreign Affairs, I have directed my attention to the study of problems that deal with foreign affairs. These include the broad neutrality questions.

Seventeen years have passed since the close of the World War. What lessons were taught us by that war from which we might profit? What safeguards have we set up to avoid entrance into another war that may lie just ahead?

Since the inauguration of President Roosevelt the efforts of the President and the Congress have, of necessity, been directed primarily to domestic problems. Little time has been afforded for the consideration of the lessons that were taught us as a result of the World War.

Perhaps there were few Americans listening to the President's inaugural address on March 4, 1933, who gave any attention to one insignificant-looking statement, which I quote:

"In the field of world policy I would dedicate this Nation to the policy of the good neighbor—the neighbor who resolutely respects himself, and, because he does so, respects the rights of others."

That, my friend, was the doctrine of the good neighbor which has guided our foreign policy so successfully since the inception of the Roosevelt administration.

However, aside from this policy of respecting the rights of others and of avoiding foreign entanglements, we have not attempted to write into law any prohibition that would guard us against the mistakes that led us so inevitably into the World War.

Those of us who were engaged in the prosecution of that war may easily conjure up a picture of events that transpired prior thereto. The long road that America traveled in the years of her neutrality from August, 1914, to April, 1917, is an interesting and a fateful story. It may perhaps be the same road that America will travel again unless legislation is passed which will forever close the doors to the avenues that led us from our pre-war neutral position. During those years American commercial and financial interests piled up a huge structure of production, export, and debt that bound us by gold and steel to the war fortunes of those countries that later became our allies.

There was no prohibition then against the sale and shipment of munitions to countries engaged in armed conflict. As a consequence we shipped millions of dollars of war munitions to nations that later proved to be our allies and paid for those munitions by extending credit and loans to them. This immediately set up a favorable mental complex in the minds of those Americans who had extended loans and credits. When they saw the cause of their debtors hanging in the balance it became much to their interest to turn public opinion in favor of those debtor nations. Securities and debts to the extent of more than \$2,000,000,000 were at stake.

As a result of the munitions investigation we learn that in August, 1914, immediately after the conflagration had broken in Europe, an American firm of international bankers sought the position of the Department of State on the question of making loans to the belligerent nations.

Secretary Bryan took the position that it would be an act that might eventually embroil us in war. A year later he was succeeded by Secretary Lansing, and thereafter the determined position of Secretary Bryan was not assumed by the Department. Huge credits were extended to finance our munitions sales. This was followed by the first big war loan—the \$500,000,000 Anglo-French issue, which was floated by the Morgan syndicate. In the spring of 1917 Ambassador Page took the position that the only way in which our permanent trade relations could be maintained and a panic averted would be through our entry into the war.

When the *Lusitania* was torpedoed she carried several hundred American passengers, bound for England. Most of them lost their lives. No law then existed prohibiting the issuance of passports to American citizens for travel in countries engaged in war, and no law then existed requiring American citizens to travel on foreign vessels at their own risk. No such law is in existence today.

There appears now to be no question but that the *Lusitania* was carrying munitions of war in her hold for delivery to England. No law then existed prohibiting the sale and shipment of munitions to countries engaged in war. None is existent today.

No law was then in existence forbidding the making of loans and the extension of credit to warring nations. None is in existence today.



Had laws of this character been in existence prior to the World War, we might have avoided entrance into that conflict.

We were drawn into that war through the surge of economic demands that bound us to the fortunes of those nations that later became our allies. What propaganda, seeking to draw us into the conflict, was disseminated by the munitions merchants and the international bankers of this country who saw a possible loss ahead of them, we shall never know.

We do know that our position of neutrality was abandoned. Think of the chaos and the ruin that resulted from that decision. Picture the brave smiles, the bitter tears, the sad farewells. Fathers saying the last good-bys to toddling children, husbands to wives, boys to their mothers and sweethearts. One hundred thousand killed; 190,000 wounded, at a cost of \$23,000,000,000; a post-war cost to this country estimated at \$200,000,000,000; business confusion, depression, broken homes, interminable, suffering have been the harvest.

These are the lessons that were written us—written in letters of blood across the scroll of chaos.

Other than the doctrine of the good neighbor, we have not profited from these fateful experiences that led us into that war. We have not translated even one of those lessons into a law that would safeguard the helpless people of this country in event of a repetition of that war.

I have felt, from a study of these problems, that if a law were enacted forbidding the making of loans or the extension of credit to any nation engaged in armed conflict, we would be attacking the spearhead of our whole neutrality problem. Therefore, I introduced a bill, H. R. 7125, which seeks to write this thought into law.

It is believed that the enactment of this bill into law would serve a twofold purpose; first, it would safeguard the neutral position of the United States in that it would prohibit the extension of credit to nations engaged in war and would prevent the flotation of loans which might later prove to be an impelling force in leading this country into the conflict. Second, if the doors of the money markets of the United States are closed by law to warring nations, the leaders who would bring on such a conflict will be less likely to seek war.

President Roosevelt, in a speech before the Woodrow Wilson Foundation, said:

"The blame for the damage to world peace lies not in the world population but in the political leaders of that population."

The political leaders will be less likely to lead their people into another conflict if they know that that conflict cannot be financed through the United States or its citizens.

Further in his speech the President said:

"The definite policy of the United States from its foundation on is opposed to armed intervention."

Now there are two methods of intervention: Armed intervention and economic intervention.

The outcome of modern major wars is as much dependent upon the economic strength of the nations engaged as upon their armed strength. Economic intervention by way of extension of credit or the making of loans by a neutral nation to a nation engaged in war may prove just as potent in intervening upon the side of that nation as direct armed intervention. The complications that inevitably arise from such a method of economic intervention are sought to be forestalled by the proposed bill.

Our efforts toward the enactment of suitable and forehanded legislation that would help to preserve a neutral position that the United States would certainly take in event of another conflict have borne fruit. The President has announced that he favors enactment of neutrality legislation that is now being considered by the House and Senate committees. The bill prohibiting loans and credits is the only one that has been reported out favorably by either the House or the Senate committees.

The Under Secretaries of State—Mr. Phillips and Mr. Moore—met with the House Foreign Affairs Committee last week and offered suggestions as to the enactment of legislation involving embargoes on the shipment of arms, the issuance of passports to American citizens traveling to nations engaged in armed conflict, and the extension of loans and credits to such nations. They prefer that such legislation be permissive with the President rather than mandatory.

A subcommittee, of which I am a member, has been appointed to consider these matters from the standpoint of the study the State Department has given them. We expect to introduce a bill which will form the basis for the enactment of proper legislation.

We hope and pray for definite action at this session of the Congress. At least we know now that we have the blessing of the Department of State and the cooperation of our great President. I know of no problems more vital to the future safety and economic well-being of all the people of our country than the problems that are involved in these questions. It is far better that the munitions makers forego their profits and the international bankers forego their commissions than that this country again be confronted with the horrors of war.

#### ADDITIONAL COMPENSATION TO CERTAIN EMPLOYEES OF THE HOUSE OF REPRESENTATIVES

Mr. WARREN. Mr. Speaker, I offer a privileged resolution (H. Res. 313) from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

#### House Resolution 313

*Resolved*, That the Clerk of the House be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, until otherwise authorized by law, additional compensation per annum, payable monthly, to certain employees of the House, as follows:

To the cashier in the Sergeant at Arms' office the sum of \$1,080;  
To the assistant cashier in the Sergeant at Arms' office the sum of \$1,180;

To the Deputy Sergeant at Arms in charge of pairs the sum of \$780;

To the minority pair clerk the sum of \$780; and

To the Sergeant at Arms the additional sum of \$1,200 for stenographic services.

SEC. 2. The provisions of this resolution shall become effective on August 15, 1935.

Mr. SNELL. Mr. Speaker, I desire to make the point of order against the resolution, that it is not a privileged resolution.

I appreciate the fact that the Committee on Accounts of the House of Representatives has a right to bring in, as privileged resolutions at any time, resolutions making appropriations out of the contingent fund, which means, as I interpret it, for contingent expenses of the House, and a flat increase of salary is not a contingent expense. I call the attention of the Chair to the definite law on this subject, which I will read:

No payment shall be made from the contingent fund as additional salary or compensation to any officer or employee of the House of Representatives.

I think that is good reasoning, and entirely in accord with the philosophy of the rules. I know it was never intended to give the Committee on Accounts the right to raise salaries, and I will state why: As a matter of fact, what sense would there be in the House of Representatives going all through these laws and establishing salaries by law if the Committee on Accounts could bring in a resolution at any time changing that entire list of salaries, as this resolution specifically states is its purpose?

I claim that based on that definite law, regardless of any rules of practice of the House, this is not a privileged resolution if it has for its purpose the raising of salaries of employees of the House.

Mr. WARREN. Mr. Speaker, I call attention of the Chair to clause 45, section 11, which sets out the privilege status of several committees of the House. Among others, it provides that on all matters dealing with the contingent fund coming from the Committee on Accounts, such resolutions are privileged.

Mr. SNELL. Will the gentleman yield for a question?

Mr. WARREN. Certainly.

Mr. SNELL. Would the gentleman contend that the question of salaries of various employees of the House is a matter to be paid from the contingent fund?

Mr. WARREN. Not generally speaking, although we have several instances where additional salaries have been granted from the contingent fund, and some, as I recall, direct from the contingent fund.

Mr. SNELL. Was a point of order raised at that time against it?

Mr. WARREN. Not that I recall; but my position is this, that the House itself, regardless of any statute, has full control and authority of its contingent fund.

The SPEAKER pro tempore (Mr. McREYNOLDS). The Chair is ready to rule. It is not a question of what the law may be in this case. It is a question of the proper interpretation of the rules of the House. The only question before the Chair for decision is whether or not this resolution is privileged. We have a precedent where Speaker Longworth passed on this same question. In the Sixty-ninth Congress a resolution was presented by the Committee on Accounts directing the Clerk of the House to pay out of the contingent fund additional compensation to certain employees of the House. Mr. Eugene Black, of Texas, made a point of order that the resolution was not privileged. Speaker Longworth ruled:



This form of resolution has been the practice for a number of years. The Chair would think that the Committee on Accounts would not undertake to add additional employees, but it certainly has been the practice for a great many years to increase salaries by resolution. The Chair overrules the point of order.

The Chair adopts the ruling of the previous Speaker, and the point of order is overruled.

Mr. WARREN. Mr. Speaker, this is the first resolution providing for an increase of salary to any employee of the House of Representatives that has come out of the Committee on Accounts since the Democratic Party assumed control of this House. I may say that it comes here today with a unanimous report from the committee, which is almost the usual thing that happens on every report that we bring here.

Not for one moment will I subscribe to the fact that salaries of House employees should be brought up to a par or a parity with those paid in the Senate, because personally I think many of them are too high, but in the present case we are confronted with this situation. This matter has been pending before the committee for the last 2 years. We told them to come back this session and we would try to adjust this particular office. This resolution provides for a total annual increase of \$5,020 a year to be divided among five faithful, loyal, efficient employees of the House, two of whom are Democrats and two of whom are Republicans.

The cashier of the Senate has received for some time a salary of \$7,000 a year.

The office of the Sergeant at Arms does a banking business of \$12,000,000 annually, yet the cashier of this office receives a salary of only \$4,920. It is proposed to bring this salary now up to \$6,000. The assistant cashier of the Senate receives a salary of \$4,200, while the same position in the House carries a salary of \$2,820. It is proposed to bring this up to \$4,000. The deputy sergeants at arms of the Senate in charge of pairs—and the Senate has several such—are paid salaries ranging from \$4,200 to \$5,300 annually, while in the House there are only two such posts, one on each side, and the salary carried by the position is only \$2,820 annually. Under this resolution it is proposed to bring these salaries up to \$3,600.

The Sergeant at Arms is the only high official in the legislative body who is not allowed a stenographer. Each year there is appropriated \$600 for the use of his office for stenographic services. It is proposed to give him \$1,800, or an addition of \$1,200, in order that he may have a full-time stenographer. The evidence is that for the last 2 years the present Sergeant at Arms of the House of Representatives has had to pay out of his pocket \$300 annually for necessary stenographic services in that office.

As I stated, this resolution comes from the committee with a unanimous vote. It is an act of simple justice to raise these salaries. It represented total increase of \$5,020. I think, in view of the action of the committee, in view of the careful consideration it has been given in that committee for 2 years, we ought to welcome the opportunity to do justice to these four men.

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, while I do not happen entirely to agree with the distinguished Chairman of the Committee on Accounts today, I do feel that he has done a good service in that position. He has always tried to protect the Treasury of the United States in the matter of expenditures.

So far as the individuals who happen to occupy these positions at the present time are concerned, I do not know of any more faithful, efficient, or courteous employees in any part of the House of Representatives. They are personal friends of mine and I like them. My opposition at this time is based on my feeling that, taking into consideration the conditions that exist throughout the entire country, the number of men who are entirely unemployed, and the extraordinary expenses that are being piled up at the present time, we ought not to increase anybody's salary if he is receiving a reasonable one at the present time.

The gentleman has referred to Senate salaries. The Senate employees all draw much higher salaries than do similar

House employees, yet I do not think they are any more efficient or worth any more. So, if we are going to use that as a standard, we ought to go through the list; but my real feeling is, as I have expressed it, and the only interest I have at this time and the only reason for my objection is that I am opposed to the principle of increasing salaries under present economic conditions in this country.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I yield.

Mr. SHORT. I am sure, however, our distinguished minority floor leader will agree that because of the increased governmental activities the duties and responsibilities of these various officers of the House have been greatly augmented.

Mr. SNELL. I do not think it affects them one iota.

Mr. SHORT. I am sorry to disagree with the gentleman.

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, it seems to me that before we give consideration to increasing the salaries of Government employees we should think of the people back home who pay the expenses of Government. We should remember, too, that there are many people back home who would be glad to get positions in the Government. Furthermore, Government employees are probably the best-paid employees on the face of the earth at the present time.

I question whether we ought to increase the salary of any particular individuals at this particular time, for the platforms of both the Democratic and Republican Parties promised economy in Government and a balanced Budget. We must remember, too, that at this time we are \$31,000,000,000 in the red.

Those Members of the House who vote to increase salaries will be called upon to answer to the folks back home. I sound a solemn warning that when you get back home you will have to give an accounting of your tenure of office in Washington. How can you explain to the people your votes for the enormous expenditure of public money? You will have to answer this question. You will have to increase taxation or spend less if this Nation will ever survive.

[Here the gavel fell.]

Mr. WARREN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. LUNDEEN].

Mr. LUNDEEN. Mr. Speaker, I have no objection to the increase proposed if it is a reasonable increase. But I would ask the Chairman of the Committee on Accounts, whom we greatly respect because of his handling of the duties of that office, that the next time we ask for sufficient help for our own congressional offices I hope that he will be with us. [Applause.]

Mr. WARREN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, my friend from Pennsylvania is still painfully partisan.

Mr. RICH. I mentioned both the Republican and Democratic parties this time.

Mr. BLANTON. Mr. Speaker, I am one of those Members of the House who believe that the officers of the House who do service comparable with that done by the officers of the Senate ought to get exactly the same salary.

When Congress convenes again in January I hope there will be a proper meeting of the leaders of the two Houses and that they will see to it that House and Senate officers are paid exactly the same salaries for identical service.

If the Senate officers are paid too high let them be cut down. The Senate controls its own contingent fund and the House controls its contingent fund, but because that is the fact is no reason why officers on the other side of the Capitol, doing exactly the same service as officers on this side, should be paid twice as much salary.

You have some minority employees in this House who are faithful servants of the people, who do not receive one-half of what comparable officers in the Senate are paid. Take Bert Kennedy, for instance, who was our popular and efficient Doorkeeper of the House. He has been serving the people here in continuous service on this floor for the



past 47 years. Yet, the man who does comparable service on the other side of the Capitol to that which is done by Bert Kennedy gets twice as much salary as Bert Kennedy now receives. Take our good friend Collier, our old postmaster, the same thing applies to him. We must adjust these inequalities as soon as we meet in January.

Mr. Speaker, I am interested in seeing that all of these minority employees, who are faithful servants, and have friends on the Democratic side as well as on the Republican side, along with all our majority employees, alike get a square deal. Every Member is their friend. Why should they be discriminated against? As soon as we come back here next January we ought to see to it that proper steps are taken immediately to iron out these differences and see that the House and Senate salaries are put on the same basis.

Mr. RICH. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Pennsylvania.

Mr. RICH. I am not trying to discriminate against Government employees at this time. Does the gentleman think we ought to raise the salaries of all Government employees?

Mr. BLANTON. No; I do not.

Mr. RICH. The gentleman is an economist. Why are we spending all of this money and where are we going to get the money?

Mr. BLANTON. These men in the Sergeant at Arms' office are not paid adequate compensation now and never have been paid adequately, and that applies to all of our House employees, both majority and minority.

We have a pusillanimous, demagogic kind of way of doing things about our own House employees. We are afraid of our own shadow. We are afraid to pay our own House employees what they are entitled to, yet we allow the Senate to pay its comparable employees twice as much as our House employees receive. We must properly correct the situation.

Mr. WARREN. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 174, noes 2.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

#### RELIEF OF PUBLIC-SCHOOL DISTRICTS

Mr. DRIVER, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 320

*Resolved*, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3123, a bill "To provide for the relief of public-school districts and other public-school authorities, and for other purposes, as amended. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

#### EXCISE TAXES

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article from the American Tariff Advocate.

Mr. RICH. Is that a newspaper?

Mr. THOMPSON. No; it is not.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. THOMPSON. Mr. Speaker, under leave to extend my remarks, I include herewith a reprint of an article which was published in the American Tariff Advocate on June 15, 1935, entitled "Products of the American Corn Industry Deserve a Greater Use and Consumption." I do this, Mr.

Speaker, inasmuch as it is very pertinent to my bill, H. R. 6961, now pending before the Ways and Means Committee, and which proposes to amend the Revenue Act of 1932 by providing an excise tax of 2½ cents per pound on all importations of tapioca, sago, and cassava.

[From the American Tariff Advocate of June 15, 1935]

PRODUCTS OF THE AMERICAN CORN INDUSTRY DESERVE A GREATER USE AND CONSUMPTION—IMPORTS OF DUTY-FREE TAPIOCA AND SAGO PRODUCTS CONSTITUTE A MENACE

Heavy imports of duty-free foreign starchy materials continue to depress the domestic industry. The main bulk of foreign material is tapioca flour and sago flour, which compete with American cornstarch in the cotton mills, paper mills, in the manufacture of adhesive tape, of explosives, and in the production of yeast.

Importations of these foreign starches have more than doubled in the last 10 years and at the present time are coming into the United States at the greatest rate on record. While tapioca has some uses where it does not compete with cornstarch, the main bulk of the imports are directly competitive. No important country in the world, other than the United States, permits importation free of duty. It is also interesting to note that some of the most highly industrialized countries of the world, such as France and Germany, consume little sago and tapioca starches, indicating that they are not indispensable.

Under the obligation of American business to pay a fair price for raw material and labor and to cooperate with recovery policies, the starches made from American corn cannot compete on a price basis with the duty-free foreign starches. Unless American industry and agriculture are to be protected by tariff from competition from countries where lower labor standards prevail, then the whole program of economic reform, with which the administration has been courageously grappling, should be scrapped.

The peasants of Europe and the coolies of Asia will determine the buying power of American farmers and American workmen if we are to surrender our historic right to self-determination of the conditions under which competitive products may cross our frontiers. A program which seeks to remedy a condition resulting from an alleged surplus, by reducing the production of corn and wheat and paying for that reduction with public funds raised by a tax paid by every man, woman, and child, should be accompanied by a consistent policy to prevent the importation of commodities in direct competition with those we produce.

The administration has left the back door open so that tapioca and sago starch, which displace corn, can enter. This is a great injustice to the American farmer and workman, as great strides in the manufacture of corn products have been made by the 11 refining plants spread through the Midwest, which consume about 80,000,000 bushels or more of corn annually in the making of nearly a billion pounds of corn sugar a year, more than a billion pounds of corn sirup, and more than a hundred million pounds of dextrin.

In addition, more than 800,000,000 pounds of corn starch are normally sold to the textile industries, paper manufacturers, powder makers, and adhesive manufacturers. Dextrin is used as the gum on postage stamps. Corn products have broken into the glazing and parchment business and into the motion-picture industry as a waterproof emulsion.

It is the duty of our Government to act in a straightforward manner and put a stop to the increasing importation of foreign starchy materials; this should be done in behalf of hundreds of thousands of domestic farmers, the thousands of workmen engaged in the great corn products refining industry, the millions of dollars invested in plants, equipment, and great research laboratories, and for the good and future welfare of the American people as a whole.

IF "SELF-PRESERVATION" IS THE FIRST LAW, THE ENACTMENT OF S. 5, TO STRENGTHEN AND AMPLIFY EXISTING LEGISLATION ON FOOD AND DRUGS, IS IMPERATIVELY DEMANDED

Mr. HOEPEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOEPEL. Mr. Speaker, in view of the fact that S. 5 is now being considered by a subcommittee of the Committee on Interstate and Foreign Commerce and because, in my opinion, this legislation should be enacted into law before adjournment, I am pleased to insert in the RECORD an analysis of this bill in order that the people may know the efforts now being made to protect their health, as well as their pocket-books, through new-deal legislation. I have grouped my analysis in respect to the various sections of the bill so that any individual interested in any section may more easily understand the benefits which would accrue from the enactment of this highly meritorious measure.

In this connection it is well to recall that the two outstanding purposes of the famous Wiley Pure Food and Drug Law of 1906 were to protect the public health and to prevent deception. The legislative history of that measure, the administrative policies followed in its enactment, and innumerable court decisions interpreting its provisions give abundant



evidence of these purposes. The experience of more than a quarter of a century of enforcement has shown that there are many weaknesses of the Wiley law. S. 5 represents a carefully considered effort—based on actual experience, and not mere theory—to strengthen the existing legislation and bring about more nearly the original objectives.

**FALSE ADVERTISING KILLS BUSINESS BY DESTROYING PUBLIC CONFIDENCE**

One of the outstanding avenues of escape available to the unscrupulous has been the lack of effective control over false advertising. Cases without number have been brought under the present law against misrepresentations in labels. Too frequently this has resulted merely in the transfer of unwarranted statements from the labels to advertising.

For instance, Listerine has been advertised as a remedy for tuberculosis, pneumonia, and so forth, although the label failed to state these claims. Lydia Pinkham's Vegetable Compound has been widely sold under a label which merely says, "Recommended as a vegetable tonic in conditions for which this preparation is adapted", while it is advertised as beneficial in cases of female weakness, "pains in the side", run-down conditions, nerve troubles, and so forth. Incidentally the actual value of this product might be inferred from the fact that the law places no limitation to the extent to which truthful claims may appear on labels.

These two products are, however, by no means the only offenders. Many other concerns advertise their products falsely although their labels are true. Section 601 of S. 5 is designed to require observance of the same standards of truth in advertising that have through all these years been applicable to labeling.

There has been no disagreement as to the existence of grossly false advertising. Those who entertain the most enthusiastic belief in the beneficent part that advertising plays in our economic and social structure admit the existence of grievous evils. The most casual observer has seen repeated examples of gross exaggerations. The public is becoming more and more conscious that misrepresentation abounds. Increasing lack of confidence in advertising is adversely affecting the sale of meritorious goods as well as fakes. The public has no way of differentiating between the sales appeal that is genuine and that which is meritorious. I understand the great advertising industries in general approve of this bill. Certainly there should be no loss to any worthy commercial endeavor if all that is required in the preparation of advertising is to observe the truth. Once the public recognizes that the advertising of the commodities controlled by the bill is under effective regulation, then advertising will become a better sales medium than it has ever been. Both the public and those who engage in advertising will gain from this legislation. Only those who cheat and defraud will suffer.

**ADVERTISING OF FOOD, DRUGS, DEVICES, AND COSMETICS SHOULD BE CONTROLLED BY THE DEPARTMENT OF AGRICULTURE**

Amendments to S. 5 have been proposed to deny the Department of Agriculture the authority to regulate the advertising of food, drugs, cosmetics, and devices, but, rather, to allow all advertising to remain under the jurisdiction of the Federal Trade Commission, where it is today. With all due respect to the Commission, such amendments are wholly without merit.

Unfortunately, the Federal Trade Commission has power to control advertising only where unfair trade practices are involved. This limitation of authority would seriously interfere with prosecution of many cases of false advertising. Moreover, the procedural requirements under the Federal Trade Commission Act are very complicated, cases often being in the process of prosecution for 2 years or more, during which time the false advertiser was profiting from his bunco. Even upon conviction the only penalty given is a cease and desist order, which merely means that the advertiser must refrain from a certain type of advertising and think up a new racket. Moreover, the clever advertiser may delay the completion of the trial—keep the ball in the air—for years if the efforts are warranted by sales. One cannot blame the Federal Trade Commission for its laxity in the prosecution of its cases, but, rather, one should place the

blame upon the limited statute under which the Commission operates.

It is quite evident to the casual reader of the Federal Trade Commission Act that the law is not a commodities misbranding law. If it had been intended as such it would have been cast in form more like the old food and drugs law or S. 5. It is apparent to anyone familiar with the labels of food and drug commodities generally that they are far more truthful than is the advertising for those same commodities.

The offenses of adulteration, misbranding, and false advertising are inextricably interwoven. Division of responsibility for their correction between independent government agencies would inevitably result in divergencies of administrative policies to the detriment of both the public and the regulated industries.

The Food and Drug Administration, with its scientific and technical staff, has successfully administered the adulteration and misbranding provisions of the present law. While the Federal Trade Commission has been acting against the advertising of foods and drugs, the Food and Drug Administration has furnished all of the scientific and technical information. There is no reason in logic or public policy why the Food and Drug Administration, with an adequate law to regulate advertising, should not be able to adapt itself readily to the administration of the false advertising provisions of S. 5. After all, advertising is no more nor less than an extension of the label. The purpose of this bill is to protect the public. That is the purpose of the present Food and Drugs Act. That law has been administered by the Department of Agriculture with that object in view. The purpose of the Federal Trade Commission Act is to regulate unfair commercial practices. Its whole history has been identified with that objective. It is, therefore, less fitted for the administration of this bill than is the Food and Drug Administration.

The Federal Trade Commission may rightly continue the control of advertising wherein unfair trade practices are concerned, but the control of all advertising relating to food, drugs, cosmetics, and devices should certainly be placed in the hands of the Department of Agriculture as is proposed by S. 5.

**POISONOUS COSMETICS BANNED BY S. 5**

The cosmetic industry was small when the act of 1906 was passed. No regulation of cosmetics was provided in that act. The industry has now become a major one. Serious abuse has arisen in it from time to time which the Government has been powerless to correct. S. 5, in sections 501 and 502, safeguards the public against dangerous and insanitary cosmetics and against their false representations. It provides against the addition of poisons, filth, or poisonous dyes to cosmetic preparations, and moreover makes the use of poisonous containers also a breach of the law.

Cosmetics have been sold which contain large amounts of deadly poisons. A depilatory, "Koremlu", contained a sufficient amount of thallium acetate—rat poison—to cause serious injury to the skin, glands, and nerves of the users. Fortunately an accumulation of damage suits forced the manufacturers of this product into bankruptcy.

However, by no means all of the dangerous cosmetics have been removed from the market. "Lash Lure", an eyelash dye manufactured in Los Angeles, has seriously injured the eyes of certain users, in instances causing total blindness. It is today being sold here in Washington, D. C. Under the present law officials are powerless to remove it from the market.

Many hair tonics, including Hess Hair Milk, Odell's Hair Color Restorer, and Weyth's Sage and Sulphur Compound, contain lead, which may cause local skin irritation and, because of accumulative properties, result in chronic lead poisoning with symptoms such as anemia, painful joints, sore gums, defective vision, and even convulsions and paralysis. Other hair tonics, including Scaprite and Mahdeen, contain arsenic, which upon accumulation results in a chronic poisoning with terrible effects, such as atrophy of the muscles, destruction of kidney and liver cells, and



paralysis. Many of these poisonous cosmetics are on the market today.

Many cosmetics, including O J's Beauty Lotion and Chernoff Whitening Cream, contain mercury, which upon accumulation through continued use gives rise to a chronic poisoning whereby the teeth fall out, the jawbone decays, and even death results. S. 5 will ban all of such cosmetics from the market.

#### REFORM IN FOOD REGULATION—POISONOUS FOODS UNLAWFUL

There is nothing in the present law which bans traffic in poisonous foods if the toxic ingredient is put there by nature. The law is operative only where the poison has been added. There is, therefore, nothing to prevent traffic in toadstools, poisonous mushrooms, and other naturally poisonous articles of food. It makes little difference to the victimized consumer whether the poison was added or natural. Paragraph 301 (a) of S. 5 overcomes this weakness of the law. The provision was drafted to operate against dangerous foods and will not disturb traffic in natural products like rhubarb, which naturally contains a small amount of the poison, oxalic acid, and may be mildly harmful to some people. It will, however, suppress the sale of ant food, which is dangerous because of a particularly toxic natural constituent.

As an example of the devastating effect of an uncontrolled poisonous food, let us consider the so-called "ginger jake" beverage, put out in great quantities by Boston and New York bootleggers. Genuine "ginger jake", which consisted of an alcoholic extract of the pure ginger root, became popular before the repeal of the eighteenth amendment as a substitute for genuine liquor, for it contained enough alcohol to produce intoxication. However, it had the disadvantage of being quite pungent and distasteful.

Upon experimentation, these bootleggers found that an artificial ginger drink could be made from alcohol plus a small amount of ginger extract plus a chemical known as "tricresyl phosphate", which drink proved to be smooth, bland, and palatable. However, the producers of this drink, the fake "ginger jake", did not bother themselves to determine the physiological effect of the drug tricresyl phosphate. They seemed content in having devised a drink which was intoxicating, tasted like a smooth ginger drink, and even responded to the chemical test for ginger. Unfortunately, the chemical, tricresyl phosphate, is a very powerful drug which acts upon certain nerves of the body and actually destroys them, thus resulting in permanent paralysis of its victims.

Cases against the bootleggers were developed under the present pure-food law. However, if these offenders had been convicted under that law, they would have been given only a maximum fine on each violative shipment of \$200—a mere \$200 fine for the ruination of thousands of lives and careers. It was only by prosecuting the case under a charge of conspiracy to violate a Federal law that sentences more nearly adequate to the crime were eventually meted out to the offenders.

Under S. 5 the penalties would be much more severe, and schemes of this kind would be more effectively deterred.

#### TOLERANCES ESTABLISHED FOR POISONS IN FOODS

The provision of the present law against added poisonous substances in foods in amounts which may render them injurious to health does not effectively guarantee the safety of our food supply, and is awkward, cumbersome, and uncertain of enforcement. There is no provision in the law which authorizes the fixing of tolerances. Even when identical issues are involved in different jurisdictions the Government must bring to each court trial the foremost toxicologists of the country to present their testimony, and that testimony must show that in the amounts the particular food is consumed it may, because of the added poison, be injurious to the health of the consumer, irrespective of the amount of poison the consumer may ingest from other foods. The courts and juries are not authorized to take into account the need for the use of the poison in the production of the food or the practicability of avoiding contamination with the poison in manufacturing operations.

In other words, courts and juries cannot consider the element of capriciousness where the manufacturer, through

some whim or fancied advantage, deliberately and inexcusably adds a poison. The trial of cases under such legal rules and involving such complex scientific questions before lay courts and juries in different jurisdictions inevitably leads to divergent decisions confusing to trade interests and inadequately protective of consumer welfare.

The provisions of S. 5, in section 302 (a) (2) and section 304 (a), approach the problem of added poisons in foods from a much more rational standpoint as regards both producers and consumers. The addition of poisons is prohibited unless the poison is required in production, as in the case of the use of insecticidal sprays for fruits and vegetables, or unless the poison cannot be avoided by good manufacturing processes and contamination occurs in spite of practical precautionary measures. Where poisons are required, or cannot be avoided, this section then authorizes the establishment of tolerances. In determining tolerances for different articles of food there must be taken into account the extent to which the poison is required, or cannot be avoided, and, likewise, the other ways in which the consumer may be subjected to the same or other poisonous substances. This will permit relatively heavy tolerances for those foods where the poison is required, and minute tolerances where the addition of poison is not required but cannot be completely avoided, as in incidental contamination from necessary factory equipment. The end to be sought is that the consumer in his varied diet shall not receive a total amount of poisons beyond his natural body tolerance, and that he shall not have his health jeopardized by the capriciousness of irresponsible manufacturers who deliberately add unnecessary toxic substances.

The tolerances to be set up will be with the advice and consent of the Public Health Committee, composed of five members designated by the President, with a view to their distinguished scientific attainment and interest in the public health. The provisions of section 703 set forth the careful, methodical way in which tolerances will be formulated after a full public hearing. By these provisions it is insured that tolerances will be based upon all available scientific facts; that in their establishment there will be due deliberation; that they can be promptly altered with the discovery of new scientific facts; that the most liberal limits will be provided for those commodities where, at present, added poisons are unavoidable; and that the public health will be effectively protected.

#### FACTORY INSPECTION AND CONTROL TO CURB FILTHY AND POISONOUS FOODS

The present law prohibits the shipment of filthy foods, but it does not otherwise govern sanitary conditions surrounding manufacture. In such circumstances action can be taken only where filth actually is found in the food. The methods for detecting filth are notoriously inadequate. To strengthen this provision the bill prohibits the shipment of foods in interstate commerce if they have been prepared under insanitary conditions, whereby they might have been contaminated with filth or rendered injurious. Similar provisions are made for drugs and cosmetics.

Because of deficiencies in analytical methods it is impossible to apply the sanitary and other provisions of S. 5 without authority to inspect the condition of manufacture. This authority, while denied by the present law, is conferred by section 705 of S. 5. While, at the present time and without any legal requirement, more than 90 percent of the factories admit Government inspectors, there are a certain number of chiselers and evaders who have not permitted inspectors to enter their plants and who may thus evade the consequences of certain types of adulteration that cannot otherwise be detected.

It is to be noted in this connection that S. 5 provides adequate safeguards for industry against the unwarranted revelation of trade secrets by Government inspectors by prescribing a very heavy penalty therefor, namely, a maximum of \$10,000 fine and 3 years' imprisonment.

Whenever a processed-food product becomes injurious to health by reason of bacterial contamination during processing, and the contamination cannot readily be detected,



S. 5 then authorizes the Government control of the processing for a limited time until the situation has been remedied under regulations governed by an emergency permit. For instance, not long ago, many people were fatally poisoned by canned olives. Under such a condition S. 5 would permit the canning of olives to proceed only under the provisions of a Federal emergency permit, which would be issued to all suspected canneries, and under which strict regulations would be enforced to remedy the situation until production was again satisfactory. This sort of a measure is essential to protect the public health and to save the industry from ruin.

In fact, the shrimp-packing industry, because of difficulties it has encountered in eliminating contamination from the cans, has invited permanent Government supervision of their factories, and the resultant stamp of approval of the Department of Agriculture, which has aided in maintaining and enlarging this industry.

#### ELIMINATION OF FOREIGN SUBSTANCES AND POISONOUS COLORS IN FOODS

There is no provision in the present law against the use of such indigestibles as painter's shellac on confectionery, or against metallic trinkets imbedded in confections, which have frequently menaced the health and lives of children. S. 5, in section 301 (d), contains provisions against such abuses.

One of the earlier difficulties in the enforcement of the present Food and Drugs Act lay in the inadequate control of artificial coal-tar dyes added to food products. Most coal-tar dyes are poisonous. Even those which are nontoxic are liable to be contaminated with poisonous impurities. Recognizing that the food and drugs law did not afford adequate control to insure the harmlessness of coal-tar dyes, the Department of Agriculture, shortly after the law became effective, established a voluntary certification service for coal-tar dyes. After extensive toxicological work had shown certain dyes to be harmless, the Department arranged for the certification of individual batches of these dyes found to be free from impurities. In this way an adequate supply of harmless coal-tar colors was provided. However, there was no prohibition in the law against the use of uncertified colors. Occasionally poisonous paint pigments have been used in food products. S. 5, in section 304 (B), is legislative confirmation of the Department's certification service. The bill provides in section 301 (c) the needed supplemental ban against the use in foods of any coal-tar dye other than one which has been certified. Similar provisions appear in the sections on drugs and cosmetics.

#### DECEPTIVE AND POISONOUS CONTAINERS BANNED BY S. 5

While deceptive labels are proscribed under the present law, there is nothing authorizing action against deceptive containers. In section 302 (d) of S. 5 authority is afforded to proceed against containers which are deceptive because of false bottoms, slack filling, and the like.

There is no provision in the present law against the use of poisonous containers such as those composed of lead, lead foil, or those having an excessive solder surface. Such a provision occurs in S. 5 for not only foods but for drugs and cosmetics.

#### PROVISION FOR STANDARD OF IDENTITY FOR FOODS

Several provisions of the present law, such as that declaring an article to be adulterated if any other substance has been substituted for it, imply the existence of definitions of identity. Until a product has been defined it is impossible to apply such provisions. However, no authority for establishing definitions of identity was prescribed in the law of 1906. This deficiency is corrected by S. 5 in section 302 (g) and section 303.

To maintain the integrity of our food supply by preventing adulteration and deception, definitions of identity are essential. This has been recognized by butter manufacturers who were confronted with an ever-increasing tendency by some of the less scrupulous to work more and more water into the product thus reducing the butter-fat content in some instances to below 70 percent. The condition thus produced resulted in an appeal to Congress for a legislative standard. This was enacted in 1923, namely, that the but-

ter must contain at least 80 percent of butter fat. This is the only definition and standard of identity that exists today for the purpose of enforcing the Food and Drugs Act. The need today for definition and standards of identity in a number of industries is as great as it was with the dairy industry in 1923.

For instance, today there are on the market various ice creams containing from 30 to 60 percent of air, which has been worked into the cream and frozen. Good quality ice cream averages about the lower figure. Thus, in some instances, one pays for a quart of ice cream and receives only a little more than a pint of a product standard in quality. A standard of identity for ice cream is plainly needed wherein a certain maximum amount of air is tolerated. Similarly, oysters have been sold which have been artificially bloated by soaking them in fresh water. Oysters treated in this way swell up in size and hence occupy more space in the pint container than would a normal oyster; thus the public is cheated by receiving less oysters per pint. Today an apple butter is sold on the market which contains only 30 percent of pure apple butter and 70 percent of water; yet it bears the name of apple butter.

Sometime ago down in Louisiana, for want of a legal standard of identity, the Government lost a case against a company selling a so-called "tomato paste" branded "El Toro." A genuine tomato paste contains at least 22 percent of tomato solids, while El Toro contained only 12 percent. Thus the purchaser of a quart bottle of El Toro tomato paste is in reality receiving about 1 pint of the genuine product, plus a pint of water. Similarly, a case was lost against a product labeled "Staley's maple flavored sirup", which contained only 2 percent of maple sirup plus an artificial maple flavor.

The establishment of standards of identity for food products will eliminate much legal procedure wherein expert witnesses must be called before a court to testify as to the conventional methods of producing foods and the resultant average compositions of such products so that a standard might be derived. A legalized standard of identity would expedite and assure prosecution and conviction in cases of misbranding and adulteration and would protect both the consumer and the honest producer.

#### INFORMATIVE LABELING REQUIRED

There is very little in the present Food and Drugs Act that requires informative labeling. In order to prevent deception in the sale of food products it is necessary to do more than prohibit misrepresentations by labeling and advertising. By statements which are artfully drawn, but nevertheless truthful, a romantic atmosphere of value can be created about a common article of food or of food mixture, such as Chemm, Ovaltine, Figco, and Grape Nuts, if the label reveals nothing to identify the product.

Sometime ago a product known as "Bred Spred" appeared on the market. It purported to be a true strawberry jam, but in reality was a mixture of strawberry jam with a large quantity of sugared water jelled with pectin. Housewives seeking the article on the shelves noted its label, which states, "Strawberry flavor—guaranteed free from artificial flavor, color, or preservative", and also noted upon holding the jar up to the light that it was sprinkled with sure enough strawberry seeds. As it was slightly cheaper than regular strawberry preserves, housewives bought it, little realizing the fact that it was not a pure strawberry jam. Their resultant dissatisfaction worked hardships upon the legitimate jam and jelly industry.

Many other substandard products are sold under labels bearing a distinctive name with no indication as to their composition. Often these products contain only a few cents' worth of ingredients and sell for a dollar or more per unit. Such products, though legal under the present law, will be compelled under S. 5 to bear labels stating their approximate composition. This information not only is valuable to show that the foods may not be standard, but also to disclose the individual constituents of the foods, some of which may exercise a harmful effect upon certain people upon whom they may act as poisons.



Medical officials estimate that 30 percent of the people manifest allergic reactions upon exposure to certain common foods. For instance, some people are poisoned by wheat flour; others by cottonseed oil, tomatoes, eggs, and many others. It is a matter of fundamental right, I believe, that the consumer know the identity of the food and drugs the manufacturer asks him to use. With that information the consumer has an opportunity to protect himself against deception, to purchase intelligently for his needs, and to avoid those products which may not agree with him.

Under the provisions of S. 5, food disguised in appearance will be required to be so labeled. One food may not masquerade under the name of another; imitations must be labeled as such. S. 5 will not tolerate deception. The old admonition, "Caveat emptor"—"Let the buyer beware", will no longer be necessary in reference to food and drugs.

For example, artificially colored oranges will be required to be marked with the words "color added." This provision will prevent green, immature, or frozen oranges disguised by a coal-tar dye from being sold to the unsuspecting public as first-class oranges.

It was my special interest in the orange industry which prompted me to take such an active interest in S. 5. The California "Sunkist" and other oranges do not require artificial coloring of any sort, except, perhaps, for those oranges which are picked late in the season. Under the California procedure such fruit, when picked, is often subjected to the ethylene or sweat process, not for the purpose of coloring but merely to bring out the natural color of yellow in the orange. As no color is added, it is not required that oranges thus treated be labeled "color added." It is obvious, however, that oranges which are picked green, which are immature or frozen, should not be permitted to be colored by coal-tar dyes to compete in the market with properly seasoned, ripened, and naturally colored oranges. The consumer purchasing green, immature, or frozen oranges with a coal-tar yellow color will be deceived into believing that the oranges which he purchases are of first quality. As the proof of the quality of a product is in the eating, the consumer who has inferior fruits foisted upon him through deceptive coloring will sooner or later decline to purchase oranges, as he has no means of differentiation between the inferior and the high-grade product at the time of purchase unless the inferior and artificially colored orange bears a label, as today applies, "color added." Such a requirement enables the purchaser to know that fruits which do not bear this label are naturally colored, fully mature, and of high quality, since it was not necessary that they be "doctored" in order to appeal to the eye of the thrifty housewife.

It is to be expected that those foods for which definitions of identity have been provided will be standard commodities the composition of which is generally known. S. 5 will not require a listing of their ingredients upon the label except where optional ingredients are used. For instance, mayonnaise may be required to show which of several optional vegetable oils has been used, although the spices will not necessarily be listed upon the label. Food products which are not staples, which are not commonly made in the home and about which the consumer has no information will be required by section 302 (i) to be labeled to show the identity of all their ingredients, with the exception of spices, coloring, and flavors. The listing of ingredients will not operate unfairly against the manufacturers of the so-called "proprietary foods", because there is no requirement that the percentage of the different ingredients be stated on the label. Furthermore, real trade secrets in every instance lie in the spices and flavors used and in the method of their combination.

Under the present law canned foods which fall below a low standard of quality are required to be appropriately labeled to show that they are substandard. This provision is an amendment sponsored by the canning industry, with the intelligent recognition that it would be beneficial not only to consumers but to themselves. S. 5, section 302 (h) and section 303, extends the provisions of the present law by authorizing the establishment of a reasonable standard of quality for any food.

It is not always enough to state merely the ingredients of special dietary foods. Infant foods recommended for their vitamin and mineral content should be labeled with specific information to show the character and amount of vitamins and minerals present, as well as other essential dietary factors. Misleading labeling in this respect has even been known to cause physicians to prescribe inadequate diets for infants. Only by accurately labeling the vitamin and mineral content of special dietary foods can the product be intelligently used and effectively adapted to individual cases. Authorization for such informative labeling is afforded by section 302 (j) of S. 5. No such provision is found in the present law.

For the establishment of food standards, S. 5 provides for the formation of a committee of 7 members, nonpolitically appointed by the President for a term of 5 years, 3 from the public, 2 from food producers, and 2 from the Bureau of Food and Drugs. This committee will recommend proposed regulations which subsequently will be given appropriate hearings and promulgated only with a majority consent of the committee on food standards.

#### FAKE DEVICES CURBED

Under the law of 1906 no provision was made for the control of curative devices. The market has from time to time been flooded with fakes, such as magnetic belts, colored lamps, eye exercisers, strings of beads alleged to have marvelous curative properties, and so on. S. 5 sets up a special definition of devices and subjects their labeling and advertising to appropriate control.

Five thousand people die annually of rectal cancer. The only hope in treating this disease lies in early diagnosis and subsequent proper care. Temporizing with fake devices has often allowed the disease to progress to such a stage that the best medical attention proved ineffective and death resulted. Similarly cases of prostate gland disease, ruptures, and so forth, have progressed to incurable stages through the self-appliance of fake devices. The United States Postal Service and the Federal Trade Commission have aided in checking the sale of fake devices in the past; however, their jurisdiction is limited, respectively, to cases dealing with the illegal use of the mails and unfair trade competition. S. 5 will promote immediate action toward the elimination of these devices from the market.

#### FALSE AND FRAUDULENT DRUGS BANNED

The present law contains no provision dealing with articles represented to affect the structure or functions of the body. Slenderizers, height increasers, weight increasers, and the like are, therefore, not subject to regulation. Such products are included in the definition of "drug" in S. 5, and are subject to all the control prescribed for such commodities.

Claims for the curative or therapeutic effect of a drug are banned under the present law only if they are false and fraudulent. In other words, a willful intent to deceive is an element of the offense. Under this provision the most ignorant witch doctor may brew a worthless concoction for the cure of tuberculosis, cancer, and other serious diseases with little risk that the Government will be able to produce evidence to show that he knew his claims were false. His ignorance is his defense. Many worthless fakes have existed on the market for years, enjoying wide sales, claiming numberless victims before evidence of willful intent to deceive became available.

For instance, let us consider the case of an innocuous concoction known as "B & M." It originated as a horse liniment but later graduated to the more lucrative position as a treatment for human tuberculosis, pneumonia, and a long list of other ailments. The manufacturer boasted of many excellent testimonials concerning the marvelous curative powers of his so-called "medicine", although in reality it was plainly a fake concoction. As a matter of fact, many suffering from tuberculosis used it, believing they were being cured until their cases had developed to such a point that their diseases became incurable and death resulted. Had these sufferers relied upon expert medical advice in the early stages of the disease instead of using B & M many would have been spared an untimely death.

Though prosecution of the manufacturer of B & M was started in 1922, it was not until 10 years later that the



case was won in the Baltimore courts because of the ineffectiveness of the present law, namely, that conviction can be secured in such a case only in the event that it can be proven that the manufacturer knew his labeling was false; in other words, actual fraud must be proven.

In the B & M trial numerous death certificates were produced of those users of B & M who had written excellent testimonials, some of whom were known to have dictated testimonials for B & M on their deathbeds. Sixty-four death certificates were produced at the trial showing the death of B & M users from maladies for which the labeling promised cure. It is impossible to estimate the great number of victims of B & M. The gross sales of this fake totaled more than \$100,000 annually for several years, reaching a peak of \$367,000 in one year. Only by repeatedly showing bad faith on the part of the manufacturer could B & M finally be banned from the market. Numerous other examples of similar hoaxes might be stated, such as the famous cases of the Banbar and "Save the Baby" fake medicines, but time does not permit this discussion.

Too frequently, people suffering from serious diseases rely upon the fantastic claims of the manufacturer of a nostrum, postponing the application of rational methods of treatment until chances for recovery have passed. It makes little difference to such victims whether the false claims were made in good faith or not. S. 5 relieves the Government of the great handicap of proving fraud. It will permit proceedings on the sole basis of whether the claims are true or false. It provides against regulatory action in fields of controversy between competent practitioners by requiring merely that claims of the effects of drugs and devices shall be supported by demonstrable scientific facts or substantial medical or scientific opinion. It is not necessary that there be a general agreement of opinion among practitioners in support of a claim. The manufacturer is obliged to show merely that there is some substantial and reliable opinion among competent practitioners to support what he says. Perhaps in fields of opinion where the ultimate truth cannot now be known, this is as far as the provisions of the bill can go. Irrespective of prevailing medical opinion, any claim is valid if it is backed by demonstrable scientific facts. Certainly those who undertake a responsibility of prescribing drugs and devices for our ills should have at least the justification for their claims of effect required by this measure.

#### STRENGTH OF DRUGS AND DIRECTIONS FOR USE REGULATED

Under the present Food and Drugs Act there is no provision by which action can be inaugurated against potent drugs, where the directions for use are such as to endanger the health of the user. Repeated instances of loss of health and life have followed the consumption of potent drugs in accordance with the directions prescribed by the manufacturer. This weakness in the present law is corrected in section 402 (b) of S. 5, which affords authority for action against drugs and devices that are dangerous to health under the conditions of use prescribed in their labeling or advertising.

As examples of dangerous, potent drugs, let us consider for instance the weight reducers Marmola and dinitrophenol, both of which are today on the market. Marmola contains a thyroid gland extract which stimulates body activity and removes fat. Where fat is accumulated due to a deficiency in the secretion of the thyroid gland of the individual, Marmola may prove effective and harmless. However, where obesity is not caused by this deficiency—that is, the thyroid gland of the individual is normal in activity—the excess glandular secretion added in the form of Marmola may result in serious illness, fever, delirium, and even death. Such a drug should be prescribed by a physician after a careful diagnosis and should not be self-administered. Similarly, dinitrophenol, a very powerful drug, if used in quantities suggested by directions on the label, might cause serious illness to individuals not in sound health. It too should be prescribed by a physician after a thorough physical examination of the patient.

Drugs intended for self-medication obviously should bear adequate directions for use. Furthermore, where dangerous misuse of a drug is probable as in administration to children

or in disease condition where the drug may be harmful, warning against misuse should appear on the label. There is no provision in the present act requiring either directions for use or warning against misuse. This highly important provision is incorporated in S. 5 as section 402 (g).

Eben M. Byers, a wealthy Pittsburgh manufacturer and former amateur golf champion, was sick. In his frantic search for health he was persuaded to dose himself with a medicine, Radithor Certified Radium Water. The medicine, a powerful radio active drug, killed him, although he followed directions in its use. He died a terrible death, the radium causing the bones of his head to disintegrate gradually. S. 5 will ban such powerful drugs if they are deemed dangerous when used according to directions.

Many other powerful drugs will be controlled by S. 5. For instance, the following will certainly be controlled: Those containing cinchophen, which atrophies the liver, causing yellow jaundice; headache powders containing acetanilide, a powerful heart depressant; sleeping powders containing barbituric acid, a powerful deadly drug; and hay fever remedies containing potassium iodide, which is extremely dangerous to those persons who have tuberculosis or goiter.

Some remedies consist of a solid material in liquid suspension which must be shaken before using. Often, if this precaution is not heeded, the solid portion accumulates in the bottom of the bottle and the last few doses from the bottle may be greatly in excess of the recommended dosage, because of an accumulation of the active solid material, and such doses may prove to be very harmful. Such medicines will be compelled to be labeled so as to display prominently the warning "shake before using."

The present law contains no effective provision to require manufacturers to adopt necessary precautions in the distribution of deteriorating drugs. Many of these drugs are extremely valuable, but their potency deteriorates rapidly unless special precautions in packaging are observed. Even then deterioration may only be delayed. In such circumstances there should be some warning against the use of the product after it becomes too old. Possibly some drugs should be dated like our films and coffee. Section 402 (i) provides authority to require appropriate packaging and labeling of deteriorating drugs to the extent that these precautions will safeguard the public health.

The present law requires the declaration of a few narcotic and habit-forming drugs on the label. It does not require such drugs to be labeled with a warning to show that they are habit-forming. Many persons have innocently acquired the narcotic habit through the consumption of drugs the labels of which bore no precaution. It is not merely enough that the name of the drug appear, because the lay public is unfamiliar with the habit-forming properties of many of them. Section 402 (e) of S. 5 requires habit-forming drugs to bear the words, "Warning—May be habit-forming."

#### NONSTANDARDIZED DRUGS MUST BE LABELED TO SHOW INGREDIENTS

I have referred to the provisions of S. 5 which require nonstandardized foods to be labeled to show their ingredients. Such labeling is even more important in the case of nonstandardized drugs; that is, drugs which are not recognized in the Pharmacopoeias or National Formulary. Certainly the person who undertakes to medicate himself, and thus to act in the role of physician to himself, has just as much right to know what he is administering as does the physician. No requirement for the informative labeling of nonofficial preparations exists in the present law. Section 402 (f) of S. 5 requires the disclosure of the active ingredients in nonofficial drugs. This is not a disclosure of the formula, because the proportions of the active ingredients are not required, nor is any information required concerning inactive ingredients. Such a provision would go a long way toward preventing the all-too-common practice of selling a common, ordinary drug or drug mixture under a fanciful name at a price several times its actual value.

#### ANTISEPTICS DEFINED

Under the present law it has been held by court decisions that anything can be sold as an antiseptic if it tends, even momentarily, to restrict the growth of micro-organisms.



The public has been generally educated by the advertisements of antiseptics to expect these articles to kill the micro-organisms with which they come in contact. This omission in the present law is corrected by section 402 (k) of S. 5.

#### HEAVIER PENALTIES AND QUICKER ACTION AID IN ENFORCEMENT OF S. 5

The present Food and Drugs Act prescribes extremely small penalties for violation of its provisions. First offenses for the interstate shipment of adulterated or misbranded goods are punishable by a maximum fine of \$200. A maximum of \$300 is prescribed for a second offense, with a possible prison sentence not exceeding 1 year. Since prison sentences cannot be imposed upon corporations, some organizations have regarded their fines merely as license fees to continue an illegitimate business. The penalties prescribed by S. 5 greatly increase the manufacturers' liability and should serve as a greater deterrent. The maximum penalty for adulteration and misbranding under S. 5 is 1 year imprisonment and \$1,000 fine for a first offense. This penalty is almost trebled for a second offense.

In connection with the penalties prescribed for false advertising, it should be noted that publishers and others who disseminate advertising are not amenable to prosecution if they supply information identifying the advertisers. A retailer falsely advertising an article commonly sold in interstate commerce is not amenable to prosecution provided his advertising copy is guaranteed by the manufacturers. The interstate carrier of illegal goods is not responsible for selling or transporting the goods in interstate commerce; the blame is rather placed upon the shipper of those goods.

S. 5 sets up a new remedy that is not contained in the present Food and Drugs Act by authorizing Federal courts to enjoin manufacturers from repetitious offenses. This should simplify procedure and facilitate prompt action.

#### S. 5 IS DEFINITELY NOT A BUREAUCRATIC MEASURE

Manufacturers and advertisers are protected by S. 5 in that they are authorized to bring injunction proceedings against the enforcement of the act where it can be shown that the regulation is unreasonable, arbitrary, capricious, or not in accordance with the facts or law and the petitioner may suffer substantial damage by reason of its enforcement. The manufacturer is further protected from hasty criminal procedure against him for minor offenses, in that provision is made for a suitable notice or warning to be sent to him before legal proceedings are begun. Thus he is given the opportunity to rectify his illegal activities before legal proceedings are begun. Moreover, prosecution is delayed until after the offender has had the opportunity to have a hearing, and, upon a satisfactory appeal, even a second hearing upon the first tentative decision. Furthermore, in seizure cases the trial is authorized to be held in the district of the offender's residence rather than in the district where seizure was made.

S. 5 provides for the appointment by the Secretary of Agriculture of advisory committees from each of the following groups: The food, drug, and cosmetic industries, advertising creators and disseminators, and the general public. The advice of these committees will be considered by the Secretary in the formation of general administration policies for the enforcement of the act, so that no administrative discriminations will result. Provision is made for the dissemination of information regarding food, drugs, cosmetics, and devices in cases involving imminent danger to health or gross deception, so that the public may be warned and properly protected.

The costs involved in the administration of S. 5 are insignificant compared with the economic protection it affords to the citizen and the safeguards it provides for his health and well-being. In my opinion, S. 5 is a decided progressive step forward in the interest of the general welfare and for that reason I hope the Congress will not adjourn without placing this measure on our statute books.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MEAD. Mr. Speaker, reserving the right to object—and I shall not object—I would like to be able to eventually get to the business of today, namely, the call of the Post Office Committee.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, in the few years I have been in Congress I have heard more talk about the Constitution and learned less about it than during any other similar period in my life.

It is beginning to look like everyone, whether he comes from the field or the factory or the office or the bar, upon entering this sacred Chamber seems to think that he, by some miraculous endowment from on high, becomes a finished constitutional lawyer.

I am afraid that we talk more and know less about the true meaning, spirit, and intent of the Constitution than we realize. I am afraid that constitutional Congressmen, to the public, are becoming more or less a joke.

Ofttimes of late I am afraid some Members, when opposed to legislation before the House, either for political reasons or because they are not in sympathy with the social and economic programs the President is attempting to put through in the interest of the masses, and are afraid or unwilling to come out and frankly state their opposition, clothe themselves in the habiliments of the Constitution, arise in their seats with all the courage of a Jove when he defied the lightning and proceed to raise constitutional objections that registers upon the mind of no one save themselves. And I am afraid that the verbal constitutional warfare that has been going on now for some time has been largely occasioned by just such motives.

Now, while I do not lay claim to being a finished constitutional lawyer, I do lay claim to having a reasonable amount of common sense. For just a few minutes let us quit kidding ourselves, strip these controversies of all these pseudo-constitutional objections, and get at the real opposition.

The real objections, as I see them through the constitutional smoke screen that has been thrown up, are threefold:

First, I admit that there are those who honestly and sincerely think that the administration's program militates against the Constitution. These fellows, you know, are constitutionally minded and, argus-eyed, see the Constitution being trampled underfoot in practically every piece of legislation that comes up. The country has, you know, been afflicted with this group ever since the Constitution was adopted; and everyone knows that if we follow the leadership of this group the House will become, more or less, simply a constitutional debating society.

In the second place, I am afraid that there are those who by training, environment, or unconscious influences are against the program of the administration because they are more considerate of the pocketbooks of the few than they are of the hunger and distress and the unequal opportunities of the many. They, too, are using the constitutional stiletto. If we follow the leadership of these constitutionalists, those in distress will never be given relief and the social and economic inequalities and maladjustments that are rampant today will never be corrected.

And then—and do not overlook this fact—the Republicans and vested interests are making a desperate effort to discredit our great leader and his whole program. They are afraid to come out openly and oppose his program on its merits, and would have it appear that the only reason they are unable to go along with him is because he is riding rough-shod over the Constitution. Back of this attack, I am afraid, is not so much a sincere desire to protect and uphold the Constitution as there is a sincere desire, for political and selfish reasons, to discredit Franklin D. Roosevelt and tear down and disrupt his program. If we follow these pseudo-constitutionalists, God alone can save our country.

Why, this latter group is now going so far as to suggest that the President, by reason of his stand on the Guffey coal bill, is subject to impeachment.



Mr. Bainbridge Colby, one of the Liberty Leaguers, and, of course, speaking for vested interests, in an article appearing in the Washington Herald on Sunday, July 21, makes the suggestion, and in the same newspaper on the same date the great Republican leader, the gentleman from New York [Mr. SNELL], speaking of course for the Republican Party, voices the same sentiment. There seems to be a close affinity between the Liberty League and the Republican Party. They not only think and act alike but think and act in conjunction. They may not be one and the same organization operating under two names, but, to say the least, they seem to be in cahoot representing the same interests.

Now, what high crimes and misdemeanors do they charge the President with? Why, the impeachment crime consists in writing a letter to Chairman HILL, of the Ways and Means Subcommittee, before which the Guffey coal bill is pending, urging the enactment of the legislation.

Let us look into this letter. Reciting that this great natural-resource industry, from the standpoint of the operators and miners, has had many years of difficulty; that while the deposits are limited to a few States, the consumption is Nation-wide; that competition and overexpansion have brought destructive price reductions, which have inevitably reacted upon labor standards, with a resulting dislocation, restriction, and obstruction to interstate commerce, and a recurring danger to industrial strife; that admitting that mining coal, considered separately and apart from its distribution in the flow of interstate commerce, is an interstate transaction, the constitutionality of the provisions, based on the commerce clause of the Constitution, depends upon the final conclusion as to whether production conditions directly affect, promote, or obstruct interstate commerce in the commodity; that no one is in a position to give assurance that the proposed act will withstand constitutional tests, for the simple fact that you can get, not ten but a thousand differing legal opinions; that the situation is so urgent and the benefits of the legislation so evident that all doubts should be resolved in favor of the bill, leaving to the courts, in an orderly fashion, the ultimate question of constitutionality, he concludes that a decision of the Supreme Court relative to this measure would be helpful as indicating with increasing clarity the constitutional limits within which this Government must operate, and expresses the hope that your committee will not permit doubts as to the constitutionality, however reasonable, to block the suggested legislation.

Now, what were the facts surrounding the writing of the letter? Eminent constitutional lawyers had appeared before the subcommittee in support of the constitutionality of the legislation. Equally as eminent lawyers employed by those opposing the bill had appeared before the subcommittee in opposition to the legislation on constitutional grounds. The Department of Justice had been requested by the subcommittee for an opinion on the constitutionality of the legislation, and, through an assistant to the Attorney General, had reported that it could not give a positive opinion.

Now, what is the common-sense thing to do under such circumstances? Why, just what the President suggested in his letter, pass the legislation and leave to the courts, in an orderly fashion, the ultimate question of constitutionality.

When legislation is urgent and needful, but uncertain because of supposed constitutional prohibitions, is the President to be charged with violating his oath of office in urging the adoption of such legislation, and are we as Members of Congress to be charged with violating our oath of office in passing such legislation? In such a case is not the sensible thing to do to go ahead and pass the legislation and let the Supreme Court, the only institution under our system of government that can settle the question, construe the legislation in the light of the Constitution? If the President or the Congress should adopt any other policy, would not it be possible for vested interests to hire eminent lawyers to appear before every committee considering bills opposed by them and raise constitutional objections and thus defeat the legislation?

Have we reached the point where paid attorneys representing special interests, the Liberty Leaguers, and the Re-

publican Party, can by simply raising constitutional objections silence the voice of the President, stay the hand of Congress, and thus put a stop to all legislation not approved by them? Sifted of the chaff, this is the doctrine that is now being preached. The answer is, the Constitution was designed to protect the rights and liberties of more people in this country than the Liberty Leaguers, special interests, the Republican Party, and Representative KNUXTON's candidate for the Presidency, the constitutional alarmist, the Honorable HAMILTON FISH. It was designed to protect the rights and liberties of all the people. And when the farmers, workmen, and just common, everyday folk through their chosen representatives ask for laws that will promote their happiness and increase their opportunities the time is not now, and never will be as long as there are free men in America, when their representatives will be frightened, intimidated, or deterred by the pseudoconstitutional cries of the Tories.

Why, as far back as February 1793 the Second Congress passed an act directing the Secretary of War, in conjunction with the Attorney General, to take such action as was necessary to obtain an adjudication of the Supreme Court on the constitutionality of an act passed in 1792. Here Congress entertained doubts as to the constitutionality of the act of 1792, wanted to find out if the act was constitutional, and did the only sensible thing that it could do, directed the proper authorities to test the act before the Supreme Court and thus obtain an adjudication. This instance is cited by Chief Justice Marshall in the case of *Marbury v. Madison* (1 Cr. 171). This is all the President is doing. He does not know whether the Guffey coal bill is constitutional—no one does—and he is only asking that the legislation be passed so an adjudication can be obtained from the Supreme Court. It is only by legislative enactment and judicial interpretation that we can settle constitutional questions.

The administration's program, everyone realizes, is being viciously attacked by the different organizations of special interests from its holding company, the Republican Party, on down the line to its subsidiaries, like the Liberty League and the United States Chamber of Commerce. They are today spreading their false and misleading propaganda through a subsidized press, over the radio, over telegraph lines, and by pamphlets, in the same brazen, false, and unfair methods used by the utility companies when the holding company bill was before Congress. Their planned attack, it is now evident, is through the Constitution. They are trying to frighten the President, the Congress, and the people with the Constitution. They are trying to sell the people on the idea that Democrats have never had the proper regard for the Constitution; that everything the President and the Democratic Congress are doing is unconstitutional; that we are trying to wreck the Constitution; and that they, the anointed guardians and defenders of the Constitution, are trying to save the country from Mr. Roosevelt and his Constitution wreckers. Well, every thinking man and woman knows that this propaganda is pure bunk and unadulterated tommyrot. What special interest is really trying to do is to use the Constitution as a smoke screen to fight behind in their effort to wreck Mr. Roosevelt's program of social justice and economic security and freedom.

To be specific, let me state their line of attack in concrete form. Here is what they are preaching: That, true to form, a Democratic President is suggesting and recommending and a Democratic Congress is passing unconstitutional laws. Well, for passing unconstitutional laws, I will put the record of the Democratic Party up against the record of the Republican Party any day. Let the record speak. During our 146 years of national life the Supreme Court has declared 67 acts of Congress unconstitutional. How many of these acts were passed by Constitution-wrecking Democratic Congresses? Why, only 20; or around 29 percent of the acts that have been declared unconstitutional. On the other hand, Republican Congresses, whom we are now told are the guardians of the Constitution, passed 42 of the unconstitutional statutes, or around 63 percent. Four of the other unconstitutional statutes were passed by a Democratic House and a Republican Senate and 1 by the first Congress that assembled, which was a nonpartisan body.



Now, that is a pretty good record for the Democratic Party, especially when you take into consideration the fact that we have had—

Democratic Congresses	33
Republican Congresses	27
Whig Congress	1
Nonpartisan Congress	1
Congress: Senate Whig, House Democratic	1
Congress: House Democratic, Senate Whig	1
Congresses: Senate Republican, House Democratic	8
Congresses: Senate Democratic, House Republican	2
Total	74

Of the 60 strictly Democratic or Republican Congresses, 33 were Democratic Congresses and 27 Republican Congresses, and during these Congresses 62 unconstitutional acts were passed, the Democrats passing 20 and the Republicans 42 of the unconstitutional acts. Therefore, if we figure the percentage of unconstitutional acts passed by strictly Democratic and Republican Congresses, you will find that the Democrats only passed about 30 percent of the acts, while the Republicans passed about 70 percent.

Here is the record:

No.	Date of decision	Case	Citation	Date of passage of act held unconstitutional	Act passed by Democratic or Republican Congress
1	Feb. 24, 1803	Marbury v. Madison	1 Cranch 137	Sept. 24, 1789	Nonpartisan
2	Mar. 6, 1857	Dred Scott v. Sandford	19 Howard 393	Mar. 6, 1820	Democratic
3	Mar. 10, 1865	Gordon v. U. S.	2 Wall. 561	Mar. 3, 1863	Republican
4	Jan. 14, 1867	Ex parte Garland	4 Wall. 333	Jan. 24, 1865	Do.
5	Mar. 16, 1868	Reichart v. Felps	6 Wall. 160	Feb. 20, 1812	Democratic
6	Jan. 25, 1869	The <i>Alicia</i>	7 Wall. 571	June 30, 1864	Republican
7	Feb. 7, 1870	Heppburn v. Griswald	8 Wall. 603	Feb. 25, 1862	Do.
8	Feb. 21, 1870	U. S. v. DeWitt	9 Wall. 41	Mar. 2, 1867	Do.
9	Mar. 14, 1870	Justices v. Murray	9 Wall. 274	Mar. 3, 1863	Do.
10	Apr. 3, 1871	Collector v. Day	11 Wall. 113	June 30, 1864	Republican
11	Jan. 29, 1872	U. S. v. Klein	13 Wall. 128	July 12, 1870	Do.
12	Apr. 3, 1873	U. S. v. Railroad Co.	17 Wall. 322	June 30, 1864	Do.
13	Mar. 27, 1874	U. S. v. Reese	92 U. S. 241	May 31, 1870	Do.
14	Jan. 7, 1878	U. S. v. Fox	95 U. S. 670	Mar. 2, 1867	Do.
15	Nov. 17, 1879	Trademark cases	100 U. S. 82	Aug. 14, 1876	(D) House; (R) Senate
16	Jan. 22, 1883	U. S. v. Harris	106 U. S. 629	Apr. 20, 1871	Republican
17	Oct. 15, 1883	Civil rights cases	109 U. S. 3	Mar. 1, 1875	Do.
18	Feb. 1, 1886	Boyd v. U. S.	116 U. S. 616	June 22, 1874	Do.
19	Mar. 7, 1887	Baldwin v. Franks	120 U. S. 678	Apr. 20, 1871	Do.
20	May 14, 1888	Callan v. Wilson	127 U. S. 540	Feb. 24, 1855	Democratic
21	Mar. 27, 1893	Monongahela Nav. Co. v. U. S.	148 U. S. 312	Aug. 11, 1888	(D) House; (R) Senate
22	Apr. 8, 1895	Pollock v. Farmers Loan, etc.	157 U. S. 429	Aug. 27, 1894	Democratic
23	May 18, 1896	Wong Wing v. U. S.	163 U. S. 228	May 5, 1892	(D) House; (R) Senate
24	Apr. 11, 1899	Kirby v. U. S.	174 U. S. 47	Mar. 3, 1875	Republican
25	Oct. 30, 1899	Jones v. Meehan	175 U. S. 1	—, 1894	Democratic
26	Apr. 15, 1901	Fairbank v. U. S.	181 U. S. 283	June 13, 1893	Republican
27	May 4, 1903	James v. Bowman	190 U. S. 127	May 31, 1870	Do.
28	Apr. 10, 1905	Matter of Heff	197 U. S. 488	Jan. 30, 1897	Do.
29	do	Rasmussen v. U. S.	197 U. S. 516	June 6, 1900	Do.
30	May 28, 1906	Hodges v. U. S.	203 U. S. 1	May 31, 1870	Do.
31	Jan. 6, 1908	Employers' liability cases	207 U. S. 463	June 11, 1906	Do.
32	Jan. 27, 1908	Adair v. U. S.	208 U. S. 161	June 1, 1898	Do.
33	Apr. 5, 1909	Keller v. U. S.	213 U. S. 138	Feb. 20, 1907	Do.
34	Apr. 19, 1909	U. S. v. Evans	203 U. S. 297	Mar. 3, 1901	Do.
35	Jan. 23, 1911	Muskat v. U. S.	219 U. S. 346	Mar. 1, 1907	Do.
36	May 29, 1911	Coyle v. Oklahoma	221 U. S. 559	June 16, 1906	Do.
37	May 13, 1912	Choate v. Trapp	224 U. S. 665	May 27, 1903	Do.
38	June 16, 1913	Butts v. Merchants & Miners, etc.	203 U. S. 126	Mar. 1, 1875	Do.
39	Mar. 2, 1915	U. S. v. Hvoslef	237 U. S. 1	June 13, 1893	Do.
40	Apr. 5, 1915	Thames & Mersey Ins. Co. v. U. S.	237 U. S. 19	do	Do.
41	June 3, 1918	Hammer v. Dagenhart	247 U. S. 251	Sept. 1, 1913	Democratic
42	Mar. 8, 1920	Eisner v. Macomber	252 U. S. 189	Sept. 8, 1916	Do.
43	May 17, 1920	Nickerbocker Ice Co. v. Stuart	253 U. S. 149	Oct. 6, 1917	Do.
44	June 1, 1920	Evans v. Gore	253 U. S. 245	Feb. 24, 1919	Do.
45	Feb. 28, 1921	U. S. v. Cohen Grocery Co.	255 U. S. 81	Oct. 22, 1919	Republican
46	do	Weeds, Inc. v. U. S.	255 U. S. 109	do	Do.
47	May 2, 1921	Newberry v. U. S.	256 U. S. 232	June 25, 1910	Do.
48	Apr. 17, 1922	U. S. v. Moreland	258 U. S. 433	Mar. 23, 1906	Do.
49	May 15, 1922	Bailey v. Drexel Furniture Co.	259 U. S. 20	Feb. 24, 1919	Democratic
50	do	Hill v. Wallace	259 U. S. 44	Aug. 24, 1921	Republican
51	Apr. 9, 1923	Keller v. Potomac Electric Power Co.	261 U. S. 428	Mar. 4, 1913	Democratic
52	do	Adkins v. Children's Hospital	261 U. S. 525	Sept. 9, 1918	Do.
53	Apr. 23, 1923	Spalding & Bros. v. Edwards	262 U. S. 66	Oct. 3, 1917	Do.
54	Feb. 25, 1924	Washington v. Dawson & Co.	264 U. S. 219	June 10, 1922	Republican
55	Jan. 11, 1926	Trusler v. Crooks	269 U. S. 475	Aug. 21, 1921	Do.
56	Oct. 25, 1926	Myers v. U. S.	272 U. S. 52	July 12, 1876	(D) House; (R) Senate
57	May 31, 1927	Nickels v. Coolidge	274 U. S. 531	Feb. 24, 1919	Democratic
58	Apr. 9, 1928	Untermeyer v. Anderson	276 U. S. 440	June 2, 1924	Republican
59	June 4, 1928	National Live Ins. Co. v. U. S.	277 U. S. 508	(C)	Do.
60	May 25, 1931	Indian Motorcycle Co. v. U. S.	283 U. S. 670	(C)	Do.
61	Mar. 21, 1932	Heiner v. Donnan	285 U. S. 312	(C)	Do.
62	Feb. 5, 1934	Booth v. U. S.	291 U. S. 339	June 30, 1933	Democratic
63	June 4, 1934	Lynch v. U. S.	292 U. S. 571	Mar. 30, 1933	Do.
64	June 7, 1934	Panama Refining Co. v. Ryan	293 U. S. 388	June 16, 1933	Do.
65	May 6, 1935	R. R. Ret. Board v. Alton R. R. Co.	U. S.	—	Do.
66	May 27, 1935	Schechter Poultry Corp. v. U. S.	U. S.	June 16, 1933	Do.
67	do	Louisville J. S. Land Bank v. Radford	U. S.	June 28, 1934	Do.

<sup>1</sup> Revenue Act of 1921.

<sup>2</sup> Revenue Act of 1924.

<sup>3</sup> Revenue Act of 1926.

#### SUMMARY

	No.	Per cent
Number of acts declared unconstitutional	67	
Number of above acts passed by Democratic Congresses	20	29
Number of above acts passed by Republican Congresses	42	63
Number of above acts passed by Democratic House and Republican Senate	4	6
Number of above acts passed by a nonpartisan Congress (the first Congress)	1	2
Number of acts passed by strictly Democratic or Republican Congresses—		
By Democratic Congresses	20	32
By Republican Congresses	42	63

Oh, let us pursue a little further this glorious record the now self-proclaimed guardians of the Constitution have

made. It is a glorious record of guardianship, and I would not keep back a single fact that would diminish its luster and brilliancy. Listen. Why, during the term of office of the greatest President the Republican Party ever had, the immortal Abraham Lincoln, when we had a Republican Senate and a Republican House, seven acts were passed that were later declared by the Supreme Court unconstitutional.

Oh, you Republicans point with pride to Theodore Roosevelt. It speaks well of you that you hold him in high regard, because he was not only a great man but a made-great President in spite of the fact that his constitutional record may frighten some of the present-day, self-appointed guardians of the Constitution. What is it? Why, six laws passed during



his term of office by a Republican Senate and a Republican House were later declared unconstitutional by a Republican Supreme Court.

Now, you self-appointed guardians of the Constitution prepare for a real shock. I have been trying to give you this medicine—although it is your own medicine—in broken doses so far. Well, here is a whole spoonful; and if you are sincere in your criticism of Mr. Roosevelt I know it is going to gag every one of you. How about the great war hero you elevated to the Presidency, General Grant? You claim that he was courageous and honest and a man who regarded his oath of office and I agree with you. But what is his record on the Constitution? Listen! Ten unconstitutional acts of Congress were passed during his term of office by a Republican Senate and a Republican House and two unconstitutional acts by a Republican Senate and a Democratic House, making 12 unconstitutional acts in all. Why, during his term of office alone a Republican Senate and a Republican House passed one-half as many unconstitutional acts as every Democratic Senate and Democratic House we have had since the birth of the Nation.

And yet in the face of such a record the Republican Party has the gall—the unmitigated gall—to lay claim to guardianship of the Constitution! Well, if the Republican Party is the only protection the Constitution has in this country, then as a lover and defender of the Constitution I exclaim: May God save the Constitution!

Now, with reference to the attitude of the Republican Party toward the Constitution, let us get at the truth of the matter. You know and I know that the Constitution would never have weathered the storms so far if its guardianship had been committed to the tender ministrations of the Republican Party. You know and I know, based upon past history, that the attitude of the Republican Party toward the constitutionality of legislation depends largely upon whom the legislation will affect.

Legislation passed in the interest of the few and powerful—in the interest of special interests—has always been looked upon with favor by the Republican Party, regardless of the Constitution. On the other hand, legislation passed in the interest of the masses, from the Republican standpoint, is usually branded unconstitutional. From the Republican point of view it is largely a question of whom you are legislating for. While illustrations could be multiplied to sustain the above statement, let me give you, for the sake of brevity, just one. The tariff laws were not passed to raise revenue, but to protect special interests—to protect industry—though the only warrant to pass such laws under the Constitution is under the taxing power of Congress to raise revenue.

Not being laws to raise revenue, but laws passed for the avowed purpose of protecting industry, there has always been a grave question as to whether Congress has the power under the Constitution to pass such laws. In spite of the constitutional uncertainty, however, you will find Republican presidents sending messages to Congress urging the passage of tariff laws, and you may search the record from A to Z and you will not find a single word uttered by a single Republican criticizing the Chief Executive for urging the passage of uncertain constitutional tariff laws or questioning the constitutionality of the tariff laws in any way.

And yet, when Mr. Roosevelt and a Democratic Congress invoke the same doctrine in behalf of the farmers and give them through the processing-tax feature of the Agriculture Adjustment Act a domestic tariff on certain basic farm products, thus extending to them the same rights and benefits special interests have been receiving all the while under the tariff laws, why the Republican Party, and those representing special interests in both parties, contend that the Agriculture Adjustment Act because it extends the benefits of the tariff to the farmers is unconstitutional. Well, if the taxing power under the Constitution can be invoked to protect industry, why cannot it be invoked to protect the farmer? If the Constitution permits industry to operate on a protected, restricted market, why does not the same instrument,

which was drafted in the interest of all, permit the farmers to operate on a protected, restricted market?

All Mr. Roosevelt and the Democratic Congress in this particular are trying to do is to give the farmers of America the same protection industry enjoys. Yet we are being told that the President, because he thinks the Constitution extends to farmers and industry alike, should be impeached and the Members of Congress who vote for laws that will accomplish the purpose are guilty of violating their oaths of office. And again I say that such an argument is pure bunk and unadulterated tommyrot.

Should the Constitution be changed? The answer, as I see the situation, is, Yes and no. No; if the President's program can be carried out under the Constitution. Yes; if it cannot be, and a majority of our people believe as I do, that child labor should be abolished, that the sweatshop should be banished, that the farmers are entitled to the same protection accorded industry, that labor has the right to organize in its own self-defense, that provision should be made for the aged and helpless, that ruthless and unfair trade practices should be eliminated from business, and the blessings of government distributed along safe and sane lines in a fairer and more equitable manner. While I think that these things can be accomplished by a fair, just, and liberal construction of our Constitution in the light of our changed social and economic conditions, I do not hesitate to say that if the Constitution is so worded as to bar further social and economic progress that the time has, in my mind, arrived for a change. Only the Supreme Court can tell us where we stand. We should await with patience the decisions that will clear up the confusion that now exists; and then if we have to act, our actions should be taken in conformity with the Constitution.

To my fellow Virginians let me say that a few changes in the Constitution should not be such a great shock. Why the Federal Constitution has been changed 21 times, and many of the most important changes were suggested and advocated by that great Virginia political thinker and statesman, the immortal Jefferson. And to Virginians I also call attention to the fact that only recently one of our Governors in order to carry out his program to reform our State government not only changed but practically rewrote the Virginia Constitution.

These pseudoconstitutional arguments and charges that are now being made are as old as time itself. Why, I remember years ago the constitutionalists of that day, the Pharisees, like their kinsmen of today, afraid to come out and give vent to their true feelings, hid behind the constitution in making a vicious attack upon a handful of helpless men. You remember the instance. The disciples, hungry and tired on a Sabbath day, passed through a corn field and plucked some of the grain and ate it, and were charged by the Pharisees, the pseudoconstitutionalists of that day, with violating the Constitution. The Master saw through their hypocrisy, and when they laid the charges before Him effectively answered them by simply saying that an urgent need had arisen, the disciples were hungry, and that "the Sabbath was made for man and not man for the Sabbath."

And to these pseudoconstitutionalists of today who are attempting to hide behind the Constitution in their effort to destroy the humane and needful programs of Mr. Roosevelt let me answer by paraphrasing the words of the Master: "The Constitution was made for man, and not man for the Constitution." [Applause.]

Mr. LUNDEEN. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Minnesota.

Mr. LUNDEEN. The gentleman mentioned Abraham Lincoln the greatest President the Republicans ever had. I would like to call the gentleman's attention to the fact when he mentioned Abraham Lincoln that he was a follower of Thomas Jefferson.

Mr. FLANNAGAN. I think the gentleman is right. He was a great President, and he was a better Democrat than Republican.



## CONFERENCE REPORT—AMENDMENT OF THE AIR MAIL LAWS

Mr. MEAD. Mr. Speaker, I call up the conference report on the bill (H. R. 6511) to amend the air mail laws, and to authorize the extension of the Air Mail Service, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

## CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6511) to amend the air-mail laws, and to authorize the extension of the Air Mail Service, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That subsection (a) of section 3 of the act entitled 'An act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy', approved June 12, 1934, as amended (48 Stat. 933, 1243), is amended to read as follows:

"Sec. 3. (a) The Postmaster General is authorized to award contracts for the transportation of air mail by airplane between such points as he may designate, and for initial periods of not exceeding three years, to the lowest responsible bidders tendering sufficient guaranty for faithful performance in accordance with the terms of the advertisement at fixed rates per airplane-mile: *Provided*, That where the Postmaster General holds that a low bidder is not responsible or qualified under this act, such bidder shall have the right to appeal to the Comptroller General, who shall speedily determine the issue, and his decision shall be final: *Provided further*, That the base rate of pay which may be bid and accepted in awarding such contracts shall in no case exceed 33½ cents per airplane-mile for transporting a mail load not exceeding three hundred pounds. Payment for transportation shall be at the base rate fixed in the contract for the first three hundred pounds of mail or fraction thereof plus one-tenth of such base rate for each additional one hundred pounds of mail or fraction thereof, computed at the end of each calendar month on the basis of the average mail load carried per mile over the route during such month, except that in no case shall payment exceed 40 cents per airplane-mile."

"Sec. 2. Subsection (c) of section 3 of such act is amended to read as follows:

"(c) If, in the opinion of the Postmaster General, the public interest requires it, he may grant extensions of any route: *Provided*, That the aggregate mileage of all such extensions on any route in effect at one time shall not exceed two hundred and fifty miles, and that the rate of pay for such extensions shall not be in excess of the rate per mile fixed for the service thus extended."

"Sec. 3. The first sentence of subsection (d) of section 3 of such act is amended to read as follows:

"The Postmaster General may designate certain routes as primary or as secondary routes. He shall designate as primary routes at least three transcontinental routes, with such termini as he may deem advisable, and, in addition thereto, such other routes as he may consider in the public interest, but no route less than seven hundred and fifty miles in length shall be designated as a primary route: *Provided*, That the present routes from Seattle to San Diego and from Newark (or New York, as the case may be) to Miami, Florida, may be held and regarded as other than primary routes: *Provided further*, That the southern transcontinental route from Boston via New York (or Newark, as the case may be) and Washington to Los Angeles, shall be designated as a primary route."

"Sec. 4. Subsection (f) of section 3 of such act is amended to read as follows:

"(f) The Postmaster General shall not award contracts for air-mail routes or extend such routes in excess of an aggregate of thirty-two thousand miles, and shall not pay for air-mail transportation on such routes and extensions in excess of an annual aggregate of forty-five million airplane-miles. Subject to the foregoing, the Postmaster General shall prescribe the number and frequency of schedules, intermediate regular stops, and time of departure of all planes carrying air mail, with due regard for the volume of mail carried over each route and for connecting schedules, and he may, under such regulations as he may prescribe, authorize and, notwithstanding any other provisions of this act, compensate for a special schedule or an extra or emergency trip in addition to any regular schedule over air-mail routes or portions thereof at the same mileage rate paid for regular schedules on the contract route or routes, or at a lesser rate if agreed to by the contractor and the Postmaster General, and he may utilize therefor any scheduled passenger or express flight of the contractor between the terminal points or over a portion of any route

whenever the needs of the service may so require: *Provided*, That the Postmaster General may, upon application by an air-mail contractor authorize said contractor for his own convenience to transport air mail on any nonmail schedule or plane, with the understanding that the weights of mail so transported will be credited to regular mail schedules and no mileage compensation will be claimed therefor and the miles flown in such cases will not be computed in the annual aggregate of flown mileage authorized under this section."

"Sec. 5. Subsection (a) of section 6 of such act is amended to read as follows:

"Sec. 6. (a) The Interstate Commerce Commission is hereby empowered and directed, after notice and hearing, to fix and determine by order, as soon as practicable and from time to time, the fair and reasonable rates of compensation within the limitations of this act for the transportation of air mail by airplane and the service connected therewith over each air-mail route, and over each section thereof covered by a separate contract, prescribing the method or methods by weight or space, or both, or otherwise, for ascertaining such rates of compensation, and to publish the same, which shall continue in force until changed by the said Commission after due notice and hearing, and so much of subsection (g) of section 3 of this act as is in conflict with this section is hereby repealed."

"Sec. 6. Subsection (e) of section 6 of such act is amended by adding at the end thereof the following:

"In arriving at such determination the Commission shall disregard losses resulting, in the opinion of the Commission, from the unprofitable maintenance of nonmail schedules, in cases where the Commission may find that the gross receipts from such schedules fail to meet the additional operating expense occasioned thereby. In fixing and determining such rates, if it shall be contended or alleged by the holder of an air-mail contract that the rate of compensation in force for the service involved is insufficient, the burden of establishing such insufficiency and the extent thereof shall be assumed by him. In no case shall the rates fixed and determined by the said Commission hereunder exceed the limits prescribed in section 3 (a) of this act."

"The Commission is hereby authorized and directed, after having made a full and complete examination and audit of the books, and after having examined and carefully scrutinized all expenditures and purported expenditures, of the holders of the contracts hereinafter referred to, for goods, lands, commodities, and services, in order to determine whether or not such expenditures were fair and just, and were not improper, excessive, or collusive, in the cases of the eight air-mail contracts which are allowed, by a previous report of the Commission, the rate of 33½ cents per mile, under the provisions of the act of June 12, 1934, on routes numbered 7, 12, 13, 14, 19, 25, 27, and 32, and the Commission shall make a report to the Congress, not later than January 15, 1936, whether or not, in its judgment, a fair and reasonable rate of compensation on each of said eight contracts, under the other provisions and conditions of said act, as herein amended, is in excess of 33½ cents per mile; together with full facts and reasons in detail why it recommends for or against any claim for increase."

"Sec. 7. Subsection (b) of section 6 of such act is amended to read as follows:

"(b) The Interstate Commerce Commission is hereby directed at least once in each calendar year from the date of the award of any contract to examine the books, accounts, contracts, and entire business records of the holder of each air-mail contract, and to review the rates of compensation being paid to such holder in order to be assured that no unreasonable profit is being derived or accruing therefrom, and in order to fix just rates. In determining what may constitute an unreasonable profit the said Commission shall take into consideration the income derived from the operation of airplanes over the routes affected, and in addition to the requirements of section 3 (f) of this act, shall take into consideration all forms of expenditures of said companies in order to ascertain whether or not the expenditures have been upon a fair and reasonable basis on the part of said company and whether or not the said company has paid more than a fair and reasonable market value for the purchase or rent of planes, engines, or any other types or kind, or class, or goods, or services, including spare parts of all kinds, and whether or not the air-mail contracting company has purchased or rented any kind of goods, commodities, or services from any individuals who own stock in or are connected with the said contracting companies or has purchased such goods and services from any company or corporations in which any of the individuals employed by or owning stock in the air-mail contracting company have any interest or from which such purchase or rents any of the employees or stockholders of air-mail contracting companies would be directly or indirectly benefited. Within thirty days after a decision has been reached upon such review by the Interstate Commerce Commission touching such profit a full report thereof shall be made to the Postmaster General, to the Secretary of the United States Senate, and to the Clerk of the House of Representatives."

"Sec. 8. The first sentence of subsection (c) of section 6 of such act is amended to read as follows:

"Any contract (1) let, extended, or assigned pursuant to the provisions of this act, and in full force and effect on March 1, 1935, or (2) which may be let subsequent to such date pursuant to the provisions of this act and shall have been satisfactorily performed by the contractor during its full initial period, shall, from and after such date, or from and after the termination of its initial period, as



the case may be, be continued in effect for an indefinite period, and compensation therefor, on and after March 1, 1935, during such period of indefinite continuance, shall be paid at the rate fixed by order of the Commission under this act, subject to such additional conditions and terms as the Commission may prescribe, upon recommendation of the Postmaster General, which shall be consistent with the requirements and limitations contained in section 1 of this act; but any contract so continued in effect may be terminated by the Commission upon sixty days' notice, upon such hearing and notice thereof to interested parties as the Commission may determine to be reasonable; and may also be terminated, in whole or in part, by mutual agreement of the Postmaster General and the contractor, or for cause by the contractor upon sixty days' notice.

"Sec. 9. Subsection (d) of section 7 of such act is amended to read as follows:

"(d) No person shall be qualified to enter upon the performance of, or thereafter to hold an air-mail contract (1) if, at or after the time specified for the commencement of mail transportation under such contract, such person is (or, if a partnership, association, or corporation, has a member, officer, or director, or an employee performing general managerial duties, that is) an individual who has theretofore entered into any unlawful combination to prevent the making of any bids for carrying the mails: *Provided*, That whenever required by the Postmaster General or Interstate Commerce Commission the bidder shall submit an affidavit executed by the bidder, or by such of its officers, directors, or general managerial employees as the Postmaster General or Interstate Commerce Commission may designate, sworn to before an officer authorized and empowered to administer oaths, stating in such affidavit that the affiant has not entered nor proposed to enter into any combination to prevent the making of any bid for carrying the mails, nor made any agreement, or given or performed, or promised to give or perform, any consideration whatever to induce any other person to bid or not to bid for any mail contract, or (2) if it pays any officer, director, or regular employee compensation in any form, whether as salary, bonus, commission, or otherwise, at a rate exceeding \$17,500 per year for full time: *Provided further*, That it shall be unlawful for any such officer or regular employee to draw a salary of more than \$17,500 per year from any air-mail contractor, or a salary from any other company if such salary from any company makes his total compensation more than \$17,500 per year."

"Sec. 10. Section 10 of such act is amended to read as follows:

"Sec. 10. All persons holding air-mail contracts shall be required to keep their books, records, and accounts under such regulations as may be promulgated by the Postmaster General, and he is hereby authorized, if and when he deems it advisable to do so, to examine and audit the books, records, and accounts of such contractors, and to require such contractors to submit full financial reports in such form and under such regulations as he may prescribe.

"Whenever an audit of the books, records, or accounts of any air-mail contractor is made by the auditors of the Interstate Commerce Commission, a full and complete report thereof shall be made to the Post Office Department within thirty days, and that report shall contain all instances in which the contractor has failed to comply with any of the provisions of the uniform system of accounts prescribed by the Post Office Department; and the Postmaster General shall, upon request, have at all times access to the records and reports of the Commission concerning air mail and air-mail contracts. There is authorized to be used from the appropriations for Contract Air Mail Service for the fiscal year ending June 30, 1936, a sum not in excess of \$25,000 for the purpose of auditing the books and records of air-mail contractors by the Post Office Department."

"Sec. 11. Section 13 of such act is amended to read as follows:

"Sec. 13. It shall be a condition upon the holding of any air-mail contract that the rate of compensation and the working conditions and relations for all pilots and other employees of the holder of such contract shall conform to decisions heretofore or hereafter made by the National Labor Board, or its successor in authority, notwithstanding any limitation as to the period of its effectiveness, included in any such decision heretofore rendered. This section shall not be construed as restricting the right of any such employees by collective bargaining to obtain higher rates of compensation or more favorable working conditions and relations."

"Sec. 12. Section 15, as amended, of such act is amended to read as follows:

"Sec. 15. After June 30, 1935, no person holding a contract or contracts for carrying air mail on a primary route shall be awarded or hold any contract for carrying air mail on any other primary route, nor on more than three additional routes other than primary routes. In case one person holds several contracts covering different sections of one air-mail route as designated by the Postmaster General, such several contracts shall be counted as one contract for the purpose of the preceding sentence. It shall be unlawful for air-mail contractors, competing in parallel routes, to merge or to enter into any agreement, express or implied, which may result in common control or ownership. After June 30, 1935, no air-mail contractor shall be allowed to maintain passenger or express service off the line of his air-mail route which in any way competes with passenger or express service available upon another air-mail route, except that off-line competitive service which has been regularly maintained on and prior to July 1, 1935, and such seasonal schedules as may have been regularly maintained during the year prior to July 1, 1935, may be continued if restricted to the number of schedules and to the stops scheduled and in effect during such period or season.

"Upon application of the Postmaster General or of any interested air-mail contractor, setting forth that the general transport

business or earnings upon an air-mail route are being adversely affected by any alleged unfair practice of another air-mail contractor, or by any competitive air-transport service supplied by an air-mail contractor other than that supplied by him on the line of his prescribed air-mail route, or by any service inaugurated by him after July 1, 1935, through the scheduling of competitive nonmail flights over an air-mail route, the Interstate Commerce Commission shall, after giving reasonable notice to the air-mail contractor complained of, inquire fully into the subject matter of the allegations; and if the Commission shall find such practice or competition or any part thereof to be unfair, or that such competitive service in whole or in part is not reasonably required in the interest of public convenience and necessity, and if the Commission shall further find that in either case the receipts or expenses of an air-mail contractor are so affected thereby as to tend to increase the cost of air-mail transportation, then it shall order such practice or competitive service, or both, as the case may be, discontinued or restricted in accordance with such findings, and the respondent air-mail contractor named in the order shall comply therewith within a reasonable time to be fixed in such order. If the Commission shall find after like application, notice, and hearing that the public convenience and necessity requires additional service or schedules and such service or schedules do not tend to increase the cost of air-mail transportation, it may permit the institution and maintenance of such schedules and prescribe the frequency thereof. The compensation of any air-mail contractor shall be withheld during any period that it continues to violate any order of the Commission or any provision of this act."

"Sec. 13. Section 6 of such act is hereby amended by adding at the end thereof a new subsection to read as follows:

"(f) Each holder of an air-mail contract shall file with the Interstate Commerce Commission, in such form as the Commission shall require, on July 1st and January 1st of each year, a full statement of all free transportation hereafter furnished during the preceding semiannual period to any persons, including in each case the regular tariff value thereof, the name and address of the donee, and a statement of the reason for furnishing such free transportation."

And the Senate agree to the same.

JAS. M. MEAD,  
W. F. BRUNNER,  
DONALD C. DOBBINS,  
I. H. DOUTRICH,  
*Managers on the part of the House.*  
KENNETH MCKELLAR,  
CARL HAYDEN,  
THOMAS D. SCHALL,  
*Managers on the part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H. R. 6511) to amend the air-mail laws and to authorize the extension of the Air Mail Service, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House bill and the substitute agreed upon by the conferees are noted in the following discussion, except for clerical amendments and incidental changes made necessary to harmonize various provisions affected by the agreements reached.

#### INITIAL CONTRACT PERIOD

The first section of the Senate amendment amends section 3 (a) of the Air Mail Act of 1934 (hereinafter referred to as the Air Mail Act) to make the initial period of contracts for carrying air mail 3 years instead of 1 year. The House bill contains no comparable provision. The conference agreement (sec. 1) retains the Senate provisions.

#### ROUTE EXTENSIONS

Section 1 of the House bill amends section 3 (c) of the Air Mail Act to allow route extensions of 150 miles on each route. Section 2 of the Senate amendment allows aggregate route extensions not exceeding 200 miles in effect on one route at one time. The conference agreement (sec. 2) fixes the limitation on aggregate route extensions at 250 miles.

#### PRIMARY AND SECONDARY ROUTES

Section 2 of the House bill amends section 3 (d) of the Air Mail Act to authorize three transcontinental routes instead of four, to repeal the requirement that the coastal routes be designated as primary routes, and to provide that no route of less than 500 miles be designated as a primary route. The Senate amendment contains similar provisions in section 3, with a minimum primary route limit of 1,000 miles, and with the additional proviso that the existing coastal routes may be regarded as other than primary routes and that the southern transcontinental route be designated as a primary route. The conference agreement (sec. 3) retains the House provisions as to designation of routes, but with a minimum length of 750 miles for primary routes, and with the added Senate provisos.



## AGGREGATE MILEAGE

Section 3 of the House bill amends section 3 (f) of the Air Mail Act to fix a route mileage limit of 32,000 miles in lieu of the present limit of 29,000 miles, and an annual aggregate of 45,000,000 airplane-miles in lieu of the present maximum of 40,000,000, and authorizes the Postmaster General to prescribe schedules and to utilize passenger or express flights of the contractor. The same or similar provisions are contained in section 4 of the Senate amendment, which also permits the Postmaster General to pay for emergency trips or special schedules, and to allow the contractor to carry air mail on nonmail schedules, the weights of mail so carried to be credited to regular mail schedules, and the mileage so flown not to be computed in the annual aggregate. The conference agreement (sec. 4) adopts the Senate provisions.

## FAIR AND REASONABLE RATES

Section 4 of the House bill amends section 6 (a) of the Air Mail Act to direct the Interstate Commerce Commission to determine fair and reasonable rates of compensation for carrying air mail, subject to the limitation that such rates shall not exceed those fixed in section 3 (a) of the act by more than 20 percent. Section 5 of the Senate amendment makes similar amendments but continues in effect the maximum rates of the Air Mail Act, and repeals so much of subsection (g) of section 3 of the Air Mail Act as is in conflict with section 6 (a), as amended. The conference agreement (sec. 5) retains the provisions of the Senate amendment. Section 4 of the House bill also places the burden of establishing the insufficiency of existing rates upon the contractor, and this provision is retained in the conference agreement (sec. 6).

## EFFECTIVE DATE OF COMMISSION RATES

Section 5 of the House bill amends section 6 (c) of the Air Mail Act to provide that the rates fixed by the Interstate Commerce Commission under section 6 of such act shall be in force as of March 1, 1935, as to air-mail contracts then in force, and as to contracts executed after such date shall be in force after the expiration of the initial period (now 3 years). Section 8 of the Senate amendment has the same provisions as to effective dates of the Commission rates, but also amends section 6 (a) of the Air Mail Act to provide that the Commission may cancel a contract only for cause, and that contracts may not be voluntarily canceled except by agreement of the Postmaster General and the contractor. The conference agreement (sec. 8) retains the Senate provisions as to the effective date of the rates but eliminates the requirement of cause with respect to cancellation of contracts by the Commission and permits the contractor to terminate for cause upon 60 days' notice.

## DETERMINATION OF RATES

Section 6 of the House bill amends section 6 (e) of the Air Mail Act to direct the Commission in determining rates of compensation to disregard any losses resulting from unprofitable operations of nonmail schedules of the contractor. Section 6 of the Senate amendment contains the same provision, together with the provision as to burden of proof contained in section 4 of the House bill, and provides that the rates fixed by the Commission shall not exceed the limits prescribed in section 3 (a) of the Air Mail Act. The conference agreement (sec. 6) retains the provisions of the Senate amendment with a provision that the Interstate Commerce Commission shall report to Congress not later than January 15, 1936, with respect to certain contracts, after making an audit and examination, whether fair and reasonable rates would be in excess of the limits referred to in section 3 (a) of the Air Mail Act.

## EXAMINATION OF ACCOUNTS

Section 7 of the House bill amended section 10 of the Air Mail Act to permit the Postmaster General to examine and audit accounts of the air-mail contractors when he deemed it advisable to do so. There was no similar provision in the Senate amendment. The conference agreement (sec. 10) retains the provisions of the House bill with the provision that the Interstate Commerce Commission shall make available to the Postmaster General audits and reports, and also report to the Postmaster General any violations of the uniform system of accounts prescribed by the Postmaster General, and makes available funds to be used by the Postmaster General in making audits and examinations.

Section 7 of the Senate amendment amends section 6 (b) of the Air Mail Act to direct the Interstate Commerce Commission to examine the books and records of the contractors, to determine whether the rates being paid result in unreasonable profit to the contractors, and for the purpose of arriving at fair and reasonable rates. It also sets out specific points for examination, especially as to prices paid for goods and services purchased from companies directly or indirectly affiliated with the contractor. It further directs the Commission to make a report of its examination to the Postmaster General and to the Congress. There was no similar provision in the House bill. The conference agreement (sec. 7) retains the provisions of the Senate amendment.

## LABOR CONDITIONS

Section 8 of the House bill amends section 13 of the Air Mail Act to continue in effect decisions of the National Labor Board notwithstanding the fact that such decisions by their own terms may have no force by reason of lapse of time. Section 10 of the Senate amendment contains substantially the same provision, and the conference agreement (sec. 11) adopts the Senate provision.

## QUALIFICATIONS AND SALARIES OF OFFICERS OF AIR-MAIL CONTRACTORS

Section 9 of the Senate amendments amends sections 7 (d) of the Air Mail Act to permit the Interstate Commerce Commission

to call for affidavits with respect to activities of officers in regard to bidding for contracts, in the same way as the Postmaster General may do, and adds a new proviso prohibiting any officer, director, or employee of a contractor drawing any salary whatever from any other company, if such salary makes his total compensation more than \$17,500 per year. There are no corresponding provisions in the House bill, and the conference agreement (sec. 9) retains the Senate provisions except that the restriction on salary in case of the added proviso is limited to officers and employees of the contractor, and is not applied to a person who is a director of a contractor.

## OFF-LINE OPERATIONS OF AIR-MAIL CONTRACTORS AND UNFAIR PRACTICES OF AIR-MAIL LINES

Section 9 of the House bill amends section 15 of the Air Mail Act, as amended, to provide that the limitations on the number of routes to be held by a contractor shall take effect July 1, 1935, in place of April 1, 1936, and to prohibit a contractor operating services not on its air-mail route, in competition with passenger or express service of another air-mail route, unless such operations were in force 4 months prior to July 1, 1935, and are limited to the operations and schedules then in effect. The Senate amendment (sec. 11) contains the same provision except that no specific period of operation prior to July 1, 1935, is required, and that the Interstate Commerce Commission may permit an increase in such operations, or may permit such operations even though competitive. The conference agreement (sec. 12) retains the House provisions on these points except that the specific requirement of 4 months' operation prior to July 1, 1935, is eliminated.

The House section also authorizes the Interstate Commerce Commission, on application of the Postmaster General or an air-mail contractor, to hold inquiries as to alleged unfair practices of air transportation operators or competitive off-line services by air-mail contractors started after March 1, 1935, and to order the discontinuance or the restriction of such practices or competitive operations, if the Commission finds that the alleged practice is unfair or the operations are not needed in the public convenience and necessity, and that the cost of air-mail transportation is affected thereby. The Senate amendment has similar provisions on these points, except that no finding as to an effect on the cost of air-mail transportation is required. The conference agreement (sec. 12) retains the provisions of the House section with modifications limiting the operation of the House language to air-mail transportation, adopting the date of July 1, 1935, in lieu of March 1, 1935, and including the Senate provision with modifications, withholding pay of an air-mail contractor operating in violation of any order of the Commission or any provision of the Air Mail Act.

## REBATES AND PASSES

Section 12 of the Senate amendment prohibits the granting of rebates or the issuance of passes by air-mail carriers except to officers of the Post Office Department traveling on official business, officials or employees of the carriers or their immediate families, officials or employees of other air-mail carriers, and officials and employees of the Bureau of Air Commerce traveling on official business. There is no corresponding provision in the House bill. The conference agreement (sec. 13) provides that each holder of an air-mail contract shall file with the Interstate Commerce Commission twice a year a statement of all free transportation furnished any persons during the preceding semiannual period, setting out the tariff value, name and address of the donee, and the reasons for furnishing the free transportation.

JAS. M. MEAD,  
W. F. BRUNNER,  
DONALD C. DOBEINS,  
I. H. DOUTRICH,

*Managers on the part of the House.*

Mr. MEAD. Mr. Speaker, in view of the fact that the statement just read explains very thoroughly the details of the conference report on the air mail bill, and in view of the fact that the bill was explained to the House when it was passed, I am constrained, unless someone wants to ask a question, to move the previous question.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. MEAD. Yes.

Mr. TABER. Will not the gentleman tell us something of what has been done to the bill since it left the House.

Mr. MEAD. The prime purpose of the bill is to amend existing law so as to enable the Interstate Commerce Commission to increase, as well as decrease, the rate of payment for the carriers of air mail. Under existing law the Interstate Commerce Commission may revise rates, but in no case in excess of the bid rate. Under this bill the Interstate Commerce Commission may revise rates in excess of the bid rates but not in excess of the basic rates contained in the law. The basic rates contained in the law permit a maximum rate of not to exceed 33½ cents per mile for loads not in excess of 300 pounds.



In practical application this will permit the Interstate Commerce Commission to disregard the bids submitted over a year ago by the contractors and give them a fair and reasonable rate, but not in excess of 33½ cents per mile. This was the prime reason for the legislation. After it left the House there was a demand that we liberalize certain features of the bill, particularly the features with respect to off-line flying, and the House conferees agreed to a liberalization of that feature of the bill so that off-line flying will now be permitted to such a degree as was in operation prior to June 30 last, and the Interstate Commerce Commission will not only have authority to pass on off-line flying such as was in existence prior to June 30 last, but they will also have authority to consider increasing off-line flying as well as restricting or eliminating it.

So the bill, as it comes back to the House, is more liberal from this standpoint than it was when it left the House. In a word, it permits the Interstate Commerce Commission to exercise more control over air mail, to increase rates within certain limitations, and to make such other adjustments and regulations as the bill provides.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield.

Mr. McFARLANE. What is the basis of the regulation by the Commission of these off-line flying connections of a transcontinental route?

Mr. MEAD. That they be in the public interest, that they do not interfere with air mail appropriations, and that they do not unduly diminish the revenues of a competing line.

Mr. McFARLANE. For instance, take the line from Oklahoma City to Wichita Falls; what chance would we have of establishing a feeder line through there under the amendment you have in your bill?

Mr. MEAD. If the contractor who established the feeder line held an air mail contract he would not be permitted to compete with an existing air mail line on any part of their operation. If he were not an air mail contractor he could establish a line any place without interference on the part of the Post Office Department or the Commission. This measure only regulates off-line flying where the operator of the off-line operation holds an air mail contract.

Mr. McFARLANE. I know that, but can the holder of one of these air mail contracts keep these off-line flyers from interfering, if it interferes with his subsidy?

Mr. MEAD. They can only accomplish that if the off-line flyer has an air mail contract, and they cannot interfere with off-line flying if the off-line operator has no air mail contract. In other words, we have no jurisdiction over an operating company unless that company holds an air mail contract.

Mr. McFARLANE. If the gentleman will yield further, how much is the subsidy at this time and how much under the proposed legislation and how much subsidy do you propose we will have in the next 2 or 3 years under this amendment, both domestic and foreign?

Mr. MEAD. The appropriation for the Air Mail Service for 1936 was \$10,700,000. The revenues from air mail postage perhaps approximate \$6,000,000 or \$7,000,000. The subsidy cannot be determined exactly, but it probably is not in excess of \$5,000,000 or \$6,000,000.

Mr. McFARLANE. Is that domestic or foreign, or both?

Mr. MEAD. That is domestic.

Mr. McFARLANE. How much will it be on foreign?

Mr. MEAD. This measure only treats with domestic aviation and I have not the figures at the present time so far as foreign air mail is concerned. However, the appropriation for foreign air mail service is \$7,000,000.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. MEAD. I yield.

Mr. TABER. Why was it thought advisable to permit the Interstate Commerce Commission to increase the payments that might be made to contractors above their bid price? I do not understand that.

Mr. MEAD. The bid price cannot be increased or decreased during the life of the contract. The present con-

tractors bid on contracts to run for 1 year. That year is up. Hereafter, instead of calling for new bids, we give control of the rates to the Interstate Commerce Commission, and they, after investigation, establish the rates, and those rates hold until changed by subsequent order of the Commission.

Of course, the contractor has to prove that he is entitled to a sum in excess of his contract price. The Interstate Commerce Commission has passed on 31 contracts, and in some cases they reduced the rate to a figure less than the original bid price, but in the majority of cases they increased the rates in excess of the original bids.

Under this bill bids on new services will be called for by the Post Office Department for 3-year periods. The operator desiring to bid will bid for the 3-year period, and the Interstate Commerce Commission will not be permitted to increase the contract rate until after the expiration of the 3 years. However, they may decrease the rate.

The Interstate Commerce Commission may, after hearings, set a fair and reasonable rate, either in excess of the bid price or less than the bid price, but only after the expiration of the original contract.

Mr. McFARLANE. Will the gentleman yield?

Mr. MEAD. I yield.

Mr. McFARLANE. What is the limit per mile permitted in this act?

Mr. MEAD. Thirty-three and one-third cents is the maximum beyond which the Interstate Commerce Commission cannot go. That is the top rate except for mail loads in excess of 300 pounds, in which case the rate is one-tenth the base rate but not in excess of 40 cents.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

#### THE PROMISE OF A NEW DAY

Mr. DELGADO. Mr. Speaker, I again ask unanimous consent to extend my remarks in the RECORD, to include therein an editorial by Carlos P. Romulo entitled "The Promise of a New Day", from the Philippine Year Book, published as an annual supplement of the Philippines Herald, on trade relations between the United States and the Philippines. I have the report of the Public Printer, and the matter will cover about two and a half pages of the RECORD.

The SPEAKER. Is there objection?

Mr. RICH. Reserving the right to object, has the gentleman secured the cost of printing this matter?

Mr. DELGADO. Yes; the estimated total cost for two and a half pages is \$113, and the cost of the one-half page excess is about \$22.60.

The SPEAKER. Is there objection to the request of the gentleman from the Philippines?

There was no objection.

Mr. DELGADO. Mr. Speaker, I have before me copy of a signed editorial by Carlos P. Romulo, publisher of the D-M-H-M newspapers in Manila, which appeared in the 1934 Philippine Yearbook, an annual supplement of the Philippines Herald, on the future relations between the United States and the Philippine Islands. On the eve of the inauguration of the Philippine Commonwealth government, this editorial, coming as it does from the keenest journalistic mind in the Philippines, whose creed as a newspaperman has always been uncompromising loyalty to facts, is a valuable source of information for those who are interested in helping formulate the future policy of the United States on the Philippine Islands.

Mr. Romulo, in a most unbiased manner, discusses reciprocal-trade relations between the United States and the Philippines as a two-sided business proposition with benefits accruing to both countries. I have always endeavored to show the same thing since my assumption of office as Resident Commissioner from the Philippines, and for permanent record, I think the excellent presentation of Mr. Romulo in his editorial can hardly be improved upon. For this reason,



Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the said editorial which is as follows:

Thirty-five years ago, the Americans came to the Philippines as conquerors. In the law of war the taking of this country by the armed forces of the United States was the reward of victory. To the victor belongs the spoils, and the Philippines was the spoils.

It was America's first adventure in imperialism. Never before did she step out beyond her frontiers to interfere with anybody's business. Washington's "no entangling alliances" in his epoch-making farewell address to his countrymen, had been faithfully adhered to for more than a century.

President Monroe, at a later time, true to the spirit of that Washingtonian doctrine of live and let live, that declaration of purpose of a people risen to nobility from the odious tyrannies of the Old World, laid down the policy that America was to be for the Americans and for nobody else.

That policy set back the European game of diplomatic intrigues definitely insofar as the Western Hemisphere was concerned. True, there was an attempt, during the American Civil War, to introduce the monarchist tradition in Mexico, with France leading the intruders. But that was a short-lived misadventure, for as soon as the Americans had weathered the storm of disunion Mexico was restored to its rights as a nation fettered to no conquering power.

The great merit of the Monroe tradition was its sincerity of purpose. Its escutcheon was immaculate; the whole background of American history lent it force equaled only by the force of the great fundamental doctrines that have shaped the history of human freedom.

This was America's record when she came to this country to impose her rule on us. It was an entirely new experiment, it was clearly a departure from the doctrines of both Washington and Monroe. The Filipinos were then a weak people. In point of arms, their resistance was out of the question. Therefore, after 3 years of fighting, they were subdued.

No matter, then, what America's record was as a nation committed to the manumission of mankind from its fetters of subjugation, the fact remains that to the great mass of the Filipino people she did not merely come and see, but conquered. In other words, she was an imperialist. This idea persisted despite the declarations of her authorized representatives, among them President McKinley and President Taft. Nobody could help it. It was the natural reaction of a subdued people.

The Philippines Herald came into existence 14 years ago, in the midst of this profound doubt in the motives of the United States in this country. It was a time when the atmosphere was surcharged with grave misgivings as to the final fate of the Filipino nation. In everybody's mind in this country was the question, Will the Philippines be finally annexed?

The Herald came to counteract these misgivings, to show to the people that but one side of the American medal was being seen and that the other side was being totally ignored. On that other side was written the testimony of America's good faith.

We came into being to preach that good faith and to instill, on the other hand, faith in the Filipino people. We stood convinced of the loftiness of America's purpose, and the sincerity of her ideals. Filipinos educated in our public schools, some of them graduates of American universities, were out to prove that the Americanism which they had imbibed was no other than the American sense of justice, fair play, and unselfishness.

The Herald became the mouthpiece of the Filipinos brought up in the American pattern of education. It was inspired in confidence in the good motives of the United States. Fourteen years after, the Herald sees today its beliefs upheld and its principles reiterated. America's unselfishness has been demonstrated by the voluntary relinquishment of a conquered territory. The Filipino people will soon be an independent people; they are now about to step on the last stone to their full stature as a nation.

Is it altruism or is it selfishness that has made America take the last actual step to our complete independence? We believe it is altruism. The logic of accomplished facts proves this beyond a doubt.

Everything that America has done here in the last 35 years establishes her motives clearly. Every step she has taken, it may be said, has had the effect of setting a stone aright in the edifice of Filipino self-determination. First the Philippine Assembly, then the Jones Law creating an all-Filipino legislature of two chambers elected by the people, and now finally the Tydings-McDuffie Act instituting the Philippine Commonwealth as the regime immediately before complete independence.

Politically, America has pursued here a policy the inevitable culmination of which can be no other than our full independence. Every opportunity has been placed within our reach to develop our ability in government. High positions of public trust are now occupied by our own countrymen. The Filipinization of the public service is now almost complete.

In the other phases of human endeavor America's record will not be found wanting. Our public school system is a creature of American efficiency and deep practical sense and stands today as one of the monuments of achievement in the whole Orient. In health and sanitation the record of the Philippines under the American regime has no parallel in the Far East. Epidemics have been stamped out, the death rate has been greatly reduced. Physically the Filipinos are growing under the impetus of the American public-health system.

America has not done all this for her benefit but for the benefit of the Filipino people. There has been not the least vestige of self-

seeking. She came here as a conqueror, but in the spirit of humanitarian sympathy. She gave our institutions permanence and added the strength of her own. She has made us fully prepared, politically and socially, at least, for the responsibilities of national existence. This is altruistic work, not selfish work.

So now the political future of the Philippines is a decided matter. No more doubt is left as to the final assumption by us of the direction of our own affairs. As a matter of fact, in a year from now we shall have installed at the Malacañang Palace the first Filipino Governor General and our government will have been entirely Filipino, subject only to the supervision of an American High Commissioner during the Commonwealth regime.

Our problem therefore has ceased to be political and we are entering now upon the economic phase of our national progress. Our first concern is the circumstances of our trade with the rest of the world. A casual glance at our trade tables will show that we have been losing heavily in our commerce with foreign nations, outside the United States, with the exception of Spain and France.

It is necessary that we protect ourselves as other nations are protecting themselves. It is imperative that we reconstruct our trade with those countries with which we have had consistent unfavorable balances. This is but a legitimate measure of safety for our interests. We can never foster our home industries unless we can sell our basic exports abroad, and it just happens that these countries with which we are trading at a disadvantage can offer us no market for our exports.

While our exports to Japan amount to less than \$6,000,000 a year, Japan's exports to us amount to approximately \$20,000,000. We export to China about \$1,600,000 worth of goods and import from her more than \$10,000,000. To Germany our exports are valued at about \$1,800,000 whereas our imports are valued at about \$5,500,000. To Australia we sell around \$250,000 worth of products and buy approximately \$3,300,000. From the British East Indies we import to the tune of nearly \$3,800,000 whereas we export only less than \$500,000.

On the other hand, take the case of Spain and France. We are exporting to Spain approximately \$4,500,000 a year and import only about \$1,000,000. France buys from us about \$4,300,000 worth of goods and sells to us less than \$1,200,000. And then, of course, the most important item is our favorable balance against the United States. In 1933 our exports to that country were valued at \$182,626,053, whereas our imports were valued at only \$87,080,813.

There is no reason for such discrepancies in our foreign trade. We cannot get along that way for a long time to come without being fools and inconsistent at the same time? To continue favoring nations that have refused to correspond our favor would be just one way of victimizing our own selves, and to continue refusing to do a good turn for those countries that have shown us their patronage would be an injustice on our part.

In reconstructing the circumstances of our trade we have no motive to guide us but a sense of fairness. We should not be interested in favoring any nation in particular, but all nations in particular that have favored us. And if we must be judicious and must look after our own welfare it should be our business to wipe off from our books the losses which unfavorable trade balances have brought us for all these many years.

The time to act in this direction is now, because America is still here to give us the moral backing of her Government. The day we are already an independent nation we shall find it extremely difficult to readjust our tariffs, because foreign nations will try to prevent us from doing so. Even now, let us observe as a good warning to us, there is already pressure being brought to bear from a foreign source against the proposed protective tariff for the Philippines.

Let us now consider our special relation to America in this matter of our trade. For three decades our main industries have flourished because they have been able to market their output free of duty in the United States. What has been the result of all this free trade? The raising of our standard of living through the increase of our purchasing power.

It is now generally admitted that our living standards are away up compared with those of other oriental countries. Here we have none of what is known the world over as "coolie" labor. Here our women don't have to work like the men. Here we don't see any of those forms of drudgery so common among the laborers of the Far East.

We have no mass production in the Philippines, the system which makes industry highly efficient and productive. In Japan, for instance, because of the mass production method, goods can be manufactured at great quantities and sold at incredibly low prices. This is possible because labor is paid comparatively low wages and millions of them are available for long hours, and more days than in any other country, of work. For the Philippines to produce at the rate the Japanese are producing their manufactured articles is at this time simply impossible. We have hardly entered the stage of our industrialization and it will require many, many more years before we can ever compete with Japan.

It is out of the question, therefore, that we can at this period of our national life approximate Japanese efficiency, and if we continue our policy of permitting the entry of cheap goods the result would be the ultimate extinction of our industrial initiative. Our masses will be satisfied to consume cheap goods; they will no longer look for the goods of our own stamping.

Our home industries are our own industries. We should protect them. The way to protect them, and the way to create new ones, would be to sell our main export products. We have already pointed out that there is no market in foreign lands for such products outside of the market of the United States. We have



also mentioned the great benefits which have accrued to the Philippines from that market of the United States.

As a matter of simple truth it would not be possible for us to desert the American market at this stage of our economic life without imperiling our stability, without reducing our standards of living to the level of the low-wage countries of the Orient. The advisable thing to do, therefore, is to establish some form of reciprocity with the United States.

Inasmuch as the American people consume about 90 percent of our total exports it is only fair that we consume more American goods than we are consuming at present. These goods are not cheap goods, but quality goods. In other words, they are not being manufactured by cheap labor to be dumped on our market and prevent the growth of new industries, but, on the contrary, afford our own men of capital the chance to use their initiative and produce the same goods. Thus we will be forced to produce good-quality articles rather than be satisfied with consuming inferior goods with which it would be impossible for us to compete.

Why should we favor American products? Because America has shown preference for our products, and it is only just that we should return that preference. It is true that the exportation of our basic commodities—sugar, copra, and coconut oil—have been limited, but this limitation is not confined to our country. American farmers likewise have to restrict their crops. It is a national policy which applies to all.

However, there are certain benefits accruing to us. There is the processing tax on sugar, the collections from which will be held in trust for us and disbursed for the stabilization of our sugar industry and the consequent diversification of our agriculture. And there is the 3-cent preferential of the excise tax on coconut oil, which practically assures the concentration of American coconut oil consumption on the Philippines. These are preferences unheard of in the trade policies of any other nation today.

We have not the least doubt as to the general sentiment in this country in favor of a reciprocal trade with the United States. The Filipinos, trained in the American way, cannot help it if their preferences are for American goods. This is something which the American people should bear in mind—this good will on the part of our people toward everything that bears the stamp of the United States.

America should consider the prestige that she has gained by her successful tutelage over the Filipino people. This is not a prestige confined to the Orient alone. Indeed, it transcends the frontiers of the Orient and reaches the farthest confines of the earth. Wherever Americans may go, they will be known for their record in the Philippines, and no embarrassment awaits them because if that record has been great in altruism so have the Filipinos been great in their advancement under American influence. The credit is mutual: Teacher and pupil alike can feel proud of the culmination of a joint experiment unparalleled in the annals of colonialism.

This is the great intangible of America's world prestige, the unpurchasable factor of her good name in the eyes of mankind. If the Filipinos had not been diligent pupils, if they had not been quick to learn and quick to appreciate the good motives of their teacher, if they had not stood faithfully and loyally by America and cooperated with her—the Philippine experiment would never have come to a happy ending and the record of America's work here would not be what it is today—the testimony of her prestige.

Certain other considerations stand out in the relationship between the United States and the Philippines which no American should forget. These considerations prove that the Philippines is not only a source of prestige for America but a source also of material benefits.

An analysis of importation statistics reveals that the United States is in virtual control of the Philippine import business. In 71 items of the 102 items of import into this country the United States ranks first of all other nations; she is second in 10 items, behind in 17 items, and commands a nominal share in 4 items.

This commanding position of America in the islands import business is due to the fact that American goods do not pay duty in entering this country. But if the Filipinos have been able to buy these goods it is because they have been able to export their main products, also free of duty, to the United States. The American market, therefore, is the source of Filipino purchasing power, the purchasing power which has given America her commanding position in the Philippine market.

One cannot forget the fact that the trend of world business is clearly toward the East. The day is to come when the trade of far eastern countries will be comparable to the trade activity of, say, the Atlantic coast of the United States. With America's present premier position in the Philippines, the country which is bound to figure strategically in the scheme of that coming bonanza, American business men can have an idea of the unbounded opportunity that awaits them here.

The Filipinos, therefore, are not seeking a one-sided arrangement in asking the United States Government to lighten the burden which recent tariff restrictions would impose on them. Americans and Filipinos are partners in Philippine business. Both of them will profit by an agreement which will represent, as Senator CARL HAYDEN said, an exchange of goods, the Philippines paying in goods what she gets in goods from the United States.

A reciprocal-trade arrangement is a mutual problem, and it can only be attained when Americans and Filipinos alike put their shoulders to the wheel, so to speak, and together work out their salvation. It is wrong to assume that the first move must come from the Filipinos alone. True, that the balance of trade between the United States and the Philippines is in favor of the Philip-

pinos, but we must also consider the fact that Philippine products entering the American market free of duty are comparatively less than American products entering the Philippines duty free.

The sensible attitude to take on this question is to consider ourselves, Americans as well as Filipinos, as being in the same boat, and that none of us can rock that boat without imperiling all our lives. In short, if that boat sinks, down we go, and that is all there is to it.

Americans and Filipinos should join hands in the move to seek from Congress relief for Philippine export business from onerous restrictions that have been decreed. The American who is in the Philippines cannot escape his obligation. His money is here, he has come here, lived here, not to stay separate from us but to unite with us in one common fate. If we prosper, he prospers; if we collapse, he will collapse with us.

We must emphasize this attitude of cooperation as the sine qua non of any success in the present movement to secure some form of equal trading between the United States and the Philippines. Without a common intelligence on the question of Philippine economic welfare we will never be able to advance the cause of our mutual stability.

Let us all concentrate our efforts upon the improvement of the trade provisions of the Tydings-McDuffie Act. As we have already said, the political aspect of this law is an accepted fact and nothing remains to do but make its economic terms less burdensome. President Roosevelt has promised to correct the inequalities and imperfections of the act and at his behest Congress is sending here a Commission for the purpose of looking into the ways of effecting that correction.

We are fully expected to do our very best to present the case of the Philippines to this Commission convincingly. It would be fatal if we allowed any division to prevail among us, if the Americans here did not see eye to eye with the Filipinos in the matter of seeking suitable amendments to the law.

Let there be, first of all, a forceful plea for the abolition of the proposed export tax against the Philippines. This is a tax which is unsound in the way it would be applied. Our export industries would groan under it at the very time when they are supposed to maintain themselves on their feet because the Government would need their financial help most.

The principle of taxation rests on the purpose of raising revenue. The export tax seeks to raise no revenue for the Government, but simply provides for the application of its proceeds to the sinking fund with which our Government would pay its bonded indebtedness to the United States. It is clear that the idea is to assure payment by us, something in the nature of the classic pound of flesh.

If America's purpose is to help us on our feet during the Commonwealth period, she can hardly justify penalizing our export business by a tax which would surely raise production costs and curtail seriously, if not altogether stop, our shipment of products to the United States.

The export tax will begin to be in force in the sixth year of the Commonwealth regime, when 5 percent of the full duty as fixed in the United States tariff laws will be collected on Philippine exports. The graduation will be as follows: For the seventh year, 10 percent; for the eighth year, 15 percent; for the ninth year, 20 percent; and for the tenth year, 25 percent.

In proportion as this tax is enforced Philippine industries will suffer more and more, with the possibility that before the end of the Commonwealth some of them will have found their profits so nil as to make continuance of business no longer worth the trouble.

The Tydings-McDuffie Act provides that within 1 year of the date fixed for the proclamation of independence a conference will be held between representatives of the United States and the Philippine Islands for the purpose of considering and submitting recommendations for future trade relations between the two countries.

It is to be hoped that the coming of the congressional commission in the near future will serve the purpose of this provision of the independence act. If possible, we should make it a point to reach a satisfactory agreement with the members of the commission, so that adjustments can be made over a long-range program of trade.

We should bear in mind that the imposition of the full American tariffs on Philippine goods would mean a loss to the Philippines of about 75 percent of her export trade. On the basis of recent figures it means that the total export trade would be reduced to only about \$50,000,000, and the result of this would be a corresponding decline in Philippine imports from the United States to about \$40,000,000. An abrupt fall in the present standards of living of the Filipinos should follow; in other words, the standards of living prevailing before the establishment of the free-trade arrangement would be restored. With the increase in population since that time, estimated at about 60 percent, it is easy to visualize the social disorganization which would occur here.

To return to our modes of living 30 years ago is out of the question, unless we choose to impose upon ourselves a national hunger strike. The disruption of our principal industries would simply mean a tremendous reduction in the income of our Government. With reduced income we would have no other course than to reduce also the cost of our Government. Men in the service will have to step out, bureaus will have to be abolished; in short, the entire machinery of the public service will be dislocated.

Let us be practical and meet the realities of the situation, and let us be frank and admit that Americans and Filipinos alike are affected by these realities. No economic disruption here, no



disorganization of our social institutions, can affect the Filipinos alone. The Americans who have invested money here will suffer as much as we will, and Americans in the United States selling their commodities to us will lose the most positive factor of their commercial advancement in the Orient.

The Philippines Herald pledges itself unconditionally to this mutual commercial benefit between America and the Philippines. It believes that while a great deal remains to be done by Americans and Filipinos alike, and each people must contribute their full share to the building of a lasting trade relationship, nothing will be impossible of accomplishment if the spirit of mutuality will prevail.

We face the future with reasonable optimism. We believe that the groundwork of success is not lacking—confidence. There is faith in our hearts which is unshaken. The logic of accomplished facts proves that this faith has been the best guaranty of our happiness.

The Herald, as we have already pointed out, was born when Filipino faith in America's motives was in peril of death. We came into being in the midst of doubts and misgivings, but our deep sense of confidence sustained us through difficulties, and today we have the testimony of American word of honor in the form of and independence law redeeming the pledge written into the preamble of the Jones Act.

This fulfillment of a national hope is the crowning glory of all our struggles of 3 centuries. We have gone through the crucible and have stood many a soul-shaking trial. The Spaniards did not take this country without shedding blood; they did not find here a people ready to sacrifice their rights to the fear of a foreign conqueror. If the Filipinos were finally subdued, it was because the circumstances were against them.

When the Americans came they found the Filipinos in virtual control of the country, with the exception of Manila, the fall of which was conceded to be imminent. For 3 years the Filipinos resisted their new invaders, but fate again was against them, as fate has always been against the weak in the history of nations. America's conquest, however, has been a benevolent conquest, and the Filipinos have known how to submit themselves to circumstances that were beyond their control. In this way the great experiment in partnership in the annals of colonialism began.

In this experiment the Filipinos have done their part with a deep sense of responsibility, and without doubt the experiment would not have been successful if they had not shown a natural ability and a genius for government. Indeed, their whole historic background reveals that they could not have failed to do their part.

Our people have had their crises, but they have never been known to waver in the struggle. They have faced crises of war and crises of peace, and in all cases they have stood by their principles and fought like Spartans. A people like ours are not the people to lose honor in defeat.

The Herald has faith in our people. It is fully convinced that this country is sound in conservatism and that its feet are firmly on the ground. Here there is no danger of exceeding the bounds of good government; here leaders and common men alike are fundamentally law-abiding, with the tendency to construct rather than destroy, to walk in the safe traditions of mankind rather than adventure into alluring grounds of dubious possibilities.

This is above all a tolerant Filipino people with whom the rest of the world will have to deal, a people that has no religious quarrels, no bigoted ideas of race, no sense of nationalistic arrogance. Trained in the ways of democracy, they will stand no dictatorship, no tyranny. Believing in divine laws, they will be righteous and true. It is hard not to envision for such a people a future of happiness—a reaching out for the stars of God.

#### CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday, and the Clerk will call the committees.

#### MOTOR-VEHICLE SERVICE, POST OFFICE

Mr. MEAD (when the Committee on the Post Office and Post Roads was called). Mr. Speaker, I call up the bill (H. R. 8790) to amend section 6 of the act of February 28, 1925.

I yield now to the gentleman from Texas [Mr. LANHAM], if it is in order.

#### LIMIT OF COST, EXTENSIBLE BUILDING, DEPARTMENT OF AGRICULTURE

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3192) to increase the limit of cost for the Department of Agriculture extensible building, which I send to the desk and ask to have read.

The Clerk read as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is hereby authorized to modify the contract no. T1 SA-3167 for the construction of the Department of Agriculture extensible building in the District of Columbia, to reimburse the contractor for increased costs incurred as a result of the failure of the Government to deliver the site to the contractor in its entirety within the time specified, the amount of the adjustment determined upon to be subject to prior review by the Comptroller General of the United States.

SEC. 2. The limit of cost for the site and construction of such building as authorized in the Second Deficiency Act, fiscal year 1931 (46 Stat. 1604), is increased to \$13,150,000 in lieu of \$12,800,000, and there is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. LANHAM. Mr. Speaker, I made an explanation of this measure on Monday last. The gentleman who at that time objected has withdrawn his objection.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

A similar House bill was laid on the table.

#### MOTOR-VEHICLE SERVICE, POST OFFICE

Mr. MEAD. Mr. Speaker, I call up the bill H. R. 8790, to amend section 6 of the act of February 28, 1925, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from New York calls up the bill H. R. 8790 and asks unanimous consent that it be considered in the House as in Committee of the Whole. Is there objection?

Mr. RICH. Mr. Speaker, reserving the right to object, if the bill comes up in that way will we have an opportunity to say something to the House in reference to it?

The SPEAKER. It will be considered under the 5-minute rule. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That the first paragraph of section 6 of the act of February 28, 1925 (43 Stat. 1060; 39 U. S. C. 116), be amended to read as follows:

"That employees in the motor-vehicle service shall be classified as follows: Superintendents, \$2,400, \$2,600, \$2,800, \$3,000, \$3,400, \$3,600, \$3,800, and \$4,000 per annum: *Provided*, That at offices where the receipts are \$20,000,000 and up the salaries shall be \$4,300 per annum; assistant superintendents, \$2,500, \$2,600, and \$2,800 per annum; chiefs of records, \$2,200, \$2,300, \$2,400, \$2,500, \$2,600, \$2,800, and \$3,000; chiefs of supplies \$2,200, \$2,300, and \$2,400; chief dispatchers, \$2,300 and \$2,500; route supervisors, \$2,400, \$2,500, and \$2,600; dispatchers, \$2,100, \$2,200, and \$2,300; chief mechanics, \$2,400, \$2,500, \$2,600, \$2,800, and \$3,000; mechanics in charge, \$2,200, \$2,300, and \$2,400; and special mechanics, \$2,100, \$2,200, and \$2,300: *Provided*, That assistant superintendents shall not be authorized at offices where the salary of the superintendent is less than \$3,000 per annum."

Mr. MEAD. Mr. Speaker, I cannot imagine that this bill will cause any controversy. At the present time we have one grade in the motor-vehicle service for which we pay \$5,000 a year. That is just one salaried officer in one post office. We abolish that grade by this bill and institute in its place another grade, which will hereafter be the maximum grade, at \$4,300 a year.

This is what will result from the passage of this bill: The former superintendent in charge of the motor-vehicle service in New York, who retired recently, received \$5,000 a year. The man acting in his place will receive \$4,300 a year, if the bill passes. The man in charge in Chicago, and it is a comparable position, is now receiving \$4,000 per year. If the bill passes, he will receive \$4,300 per year. In other words, instead of paying \$5,000 a year in New York and \$4,000 a year in Chicago, a total of \$9,000, the Department will pay \$4,300 in both places, or a total of \$8,600, which will result in a saving to the Government of \$400 a year. The purpose of the bill is to create a top grade for cities where the postal receipts are \$20,000,000 and up, with pay at \$4,300.

In each of these cities, New York and Chicago, the superintendent has charge of approximately 800 employees and is responsible for the maintenance and upkeep of 1,000 trucks assigned to his district. Both positions are fairly comparable in volume and responsibility. It is agreeable to the Post Office Department and to our committee that we create this maximum grade at \$4,300 and abolish the \$5,000 grade.

Mr. RICH. Mr. Speaker, I have listened many times to the changes in grades in various Government departments. No doubt there is a lot of merit about changing grades, in an effort to give men pay commensurate with the duties they perform. I do not object to that. I think there is merit



in it; but I say to the Membership of the House that I voted the other day for an iniquitous tax bill, and why? I voted for it because I wanted to try to assist in balancing the Budget. I thought that the Members of Congress had awakened to their responsibilities and the fact that it is necessary if we want to save this country to try to get a balance between our expenditures and our receipts. That is the reason I supported the bill, but the bill itself was only one-tenth of the amount we are spending over and above the amount necessary to balance the Budget annually. Where are we going? We are making changes in various departments, and every change we make here we are increasing Government expenditures. We must stop it. We are not only asking in this particular bill for greater expenditures, but I want to drive this fact home: That we as representatives of the American people have our responsibility to continue to operate this Government as economically as we can. That is the point I want to drive home. It is not the fact that we want to try to keep from advancing these particular employees at this time, or the employees we had under consideration a few moments ago in the office of Sergeant at Arms. Our responsibility does not end there when it comes to advancing salaries by changing the grades and expending the funds of this country at a time like this. We should stop, look, and listen. We are going to wreck this country just as sure as the sun shines tomorrow if we do not stop these expenditures; and how are we going to do it? You have got to do it by economizing; you have to do it by keeping the employees of the Federal Government at this time in the classifications they are at the present time. Do not increase these salaries. There are no employees in the world getting better salaries than the employees of the Federal Government; and if that is so, why go ahead and increase them?

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. RICH. Yes.

Mr. MEAD. The gentleman is in favor of a bill that will effect a saving for the Government?

Mr. RICH. Yes; but I understand you are going to cut down 1 position and you are increasing 8 or 10 more.

Mr. MEAD. No. The gentleman is not correct. Let the RECORD indicate that I made this statement: This only affects Chicago and New York. It reduces the salary in New York \$700 and increases the salary in Chicago \$300, and that results in a saving of \$400.

Mr. RICH. Very well. Let me ask the gentleman this question. There is a salary of \$2,400, and down below you are increasing that position to \$2,500?

Mr. MEAD. No. The gentleman is reading the existing law. We only make one change. We eliminate a \$5,000 grade in one case and create a \$4,300 grade.

Mr. RICH. Very well. If I am mistaken on that point, then I want to drive this home: that every time you bring up a bill to increase salaries, to increase the Government expenses, to increase the cost of operation of this Government, I want to have an opportunity to take the floor, so that some time we may drive it home to the Members of Congress that we ought to stop the ruthless expenditure of funds or you will wreck the country.

Mr. MEAD. I hope the gentleman will approve of our efforts when we are attempting to make a saving.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. RICH] has expired.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### WHY DENMARK REDUCES PURCHASES IN UNITED STATES

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a short letter ably discussing trade relations between this country and Denmark by my fellow townsman, Georg Strandvold, of Decorah, Iowa.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BIERMANN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter written by Georg Strandvold, of Decorah, Iowa, to the Des Moines Register:

#### DENMARK CUTS AUTO IMPORTS FROM UNITED STATES

[Reprinted from the Des Moines Tribune of Aug. 3]

COPENHAGEN, DENMARK.—The Danish Government announced Saturday no import licenses for American automobiles would be granted during the period from September to December.

Its order means imports from the United States will be reduced 10,000,000 kroner (about \$2,213,000) with corresponding increases in imports from Great Britain and Germany.

In the editorial columns of the Des Moines Register of July 25 an executive of a large type machine corporation is quoted as having said:

"Every nation wants world trade. \* \* \* The difficulties arise from the fact that most of us want foreign trade to be one-way traffic. \* \* \*

A splendid illustration of the truth of this assertion may be found in the trade relations between the United States and Denmark, and it so happens that the subject is one of peculiarly timely interest in view of the fact that Denmark was one of the countries singled out by President Roosevelt a few weeks ago as having discriminated against the United States in the matter of trade. For that reason, steps were to be taken to ascertain whether the trade accord between the two countries ought to be abrogated.

#### STATISTICS

It was specifically charged that Denmark had purchased the goods and products of other countries in preference to those of the United States.

In refutation of this charge one need but look at the trade statistics covering various scattered years—statistics compiled and published in the United States—and the following table is sufficiently illuminating:

	United States exports to Denmark	United States imports from Denmark
1895.....	\$3,475,000	\$325,000
1900.....	18,488,000	920,000
1904.....	14,053,000	694,000
1911.....	13,197,000	1,713,000
1913.....	18,688,000	2,975,000
1915.....	79,824,000	3,161,000
1920.....	85,074,000	20,575,000
1929.....	51,442,000	4,561,000
1933.....	11,611,000	1,785,000
1934.....	20,000,000	2,250,000

Five months of the present year the United States exported to Denmark \$7,150,000 worth of goods and imported from Denmark \$990,000 worth.

Talk about one-way traffic in American foreign trade.

#### FUNDAMENTAL POLICY

A fundamental policy in the foreign trade of Denmark, as well as of several other countries, demands that the heaviest purchases be made from the nation which is the largest buyer of Danish products. In this case it is Great Britain. The English people buy Danish butter, cheese, eggs, bacon, etc., to such an extent that this single export trade has become the backbone of Danish commerce. In return, Denmark, naturally, imports from Great Britain all it possibly can.

Now, Denmark has made numerous attempts to sell more of its products in America than are actually sold. Time and again efforts have been made to correct the unfavorable trade balance—and time and again the flow of Danish trade into the United States was stopped by the tariff walls.

If, as it happened once in a while, a small opening in these walls was detected, it was promptly plugged. Thus, gradually it dawned upon Denmark that America was not interested in establishing equitable trade relations.

#### ILL WILL

Under these circumstances, much ill will has been aroused in Denmark, and public opinion becomes increasingly critical of the attitude of the United States.

Typical is the following excerpt from an article in the largest provincial daily newspaper in Denmark, the Jyllandsposten, which editorially characterizes the Roosevelt charges as "silly threats from America"; then it says:

"Roosevelt blandly ignores the fact that Great Britain imports most of our agricultural products and until about a couple of years ago did so without restrictions of any kind. But America brutally slams the door shut as soon as we try to send a cargo of butter over there. We owe America no consideration. And the arrogance, the impudence of which the President's charge is an expression, must needs result in a thorough revision of our American trade policy. For it is ridiculously senseless that we buy in the United States about 10 times as much as we are permitted to sell there."



## OTHER SOURCES

The Jyllandsposten then goes on to say:

"Of the approximately \$20,000,000 we invested in American products in 1934, about eight millions represented automobile purchases. We can, of course, buy our cars from other countries—countries which more willingly accept the principle of fair trade exchange. We can get them, for instance, from Germany and Great Britain, and no doubt will buy more cars from those countries unless the United States becomes more reasonable.

"Also, we imported from the United States in 1934 about \$5,000,000 worth of grain and feed. It will be easy for us to transfer these purchases to other countries. In fact, we can get along excellently without most of the articles we now import from the United States. We simply do not have to buy American goods; let us increasingly favor those countries which are fair enough to buy from us."

## NOT AT EXPOSITION

It is no secret that Denmark's refusal to participate officially in the Century of Progress Exposition in Chicago was determined solely by the unequal trade status between that country and the United States, for, it was argued, a world's fair is first of all an advertising forum, and why should Denmark advertise in the United States when it cannot export its products to that country—that is, not to an extent commensurate with that of American exports to Denmark?

But this year at Brussels, Denmark has an elaborate pavilion at the world's fair.

It may be said that to a country as vast as is the United States the attitude of a tiny nation like Denmark is a matter of no great concern. That may, of course, be said. On the other hand, it should be remembered that the size of a country really has nothing to do with its importance, and that no nation, large or small, in the long run can afford to lose the good will of others. It is with nations as with individuals.

So, to revert to the quotation from the Des Moines Register, "It is very necessary that the people in the United States come to realize that only by making possible greater imports from abroad can we hope to sell our goods to other countries. \* \* \*

## RATES OF POSTAGE ON READING MATTER AND SOUND-REPRODUCTION RECORDS FOR THE BLIND

Mr. MEAD. Mr. Speaker, I call up the bill (H. R. 8730) to provide special rates of postage on reading matter and sound-reproduction records for the blind, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.,* That books, pamphlets, and other reading matter published either in raised characters, whether prepared by hand or printed, or in the form of sound-reproduction records for the use of the blind, in packages not exceeding 12 pounds in weight, and containing no advertising or other matter whatever, unsealed, and when sent by public institutions for the blind, or by any public libraries, as a loan to blind readers, or when returned by the latter to such institutions or public libraries, shall be transmitted in the United States mails free of postage and under such regulations as the Postmaster General may prescribe. Magazines, periodicals, and other regularly issued publications in such raised characters, whether prepared by hand or printed, or on sound-reproduction records (for the use of the blind), which contain no advertisements, (a) when no subscription fee is charged, shall be transmitted in the United States mails free of postage, under such regulations as the Postmaster General may prescribe; (b) when furnished by an organization, institution, or association not conducted for private profit to a blind person, at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe.

Sec. 2. Volumes of the Holy Scriptures, or any part thereof, published either in raised characters, whether prepared by hand or printed, or in the form of sound-reproduction records for the use of the blind, which do not contain advertisements, (a) when furnished by an organization, institution, or association not conducted for private profit, to a blind person without charge, shall be transmitted in the United States mails free of postage; (b) when furnished by an organization, institution, or association not conducted for private profit to a blind person at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe.

Sec. 3. All letters written in point print or raised characters or on sound-reproduction records used by the blind, when unsealed, shall be transmitted through the mails as third-class matter.

Sec. 4. The act entitled "An act to promote the circulation of reading matter among the blind", approved April 27, 1904 (33 Stat. 313), the supplemental provision in section 1 of the Post Office Appropriation Act for 1913, approved August 24, 1912 (37 Stat. 551), the joint resolution entitled "Joint resolution to provide for the free transmission through the mails of certain publications for

the blind", approved June 7, 1924 (43 Stat. 668; U. S. C., title 39, ch. 8, sec. 331), and the act entitled "An act to amend the act entitled 'An act to promote the circulation of reading matter among the blind', approved April 27, 1904, and acts supplemental thereto", approved May 9, 1934 (48 Stat. 678), are hereby repealed.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That magazines, periodicals, and other regularly issued publications in raised characters, whether prepared by hand or printed, or on sound-reproduction records (for the use of the blind), which contain no advertisements, when furnished by an organization, institution, or association not conducted for private profit, to a blind person, at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof, under such regulations as the Postmaster General may prescribe."

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill to provide special rates of postage on matter for the blind."

## LABORERS IN RAILWAY MAIL SERVICE

Mr. MEAD. Mr. Speaker, I call up the bill (H. R. 8369) relating to laborers in the Railway Mail Service and motor-vehicle employees of the Postal Service, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MEAD]?

There was no objection.

The Clerk read as follows:

*Be it enacted, etc.,* That when laborers in the Railway Mail Service and motor-vehicle employees of the Postal Service have been or may be surplus and transferred to another branch of the Postal Service they shall not be reduced in rank or pay pending the retransfer to the positions of laborers in the Railway Mail Service or post-office or motor-vehicle service, as the case may be. Such surplus employees shall have preference for regular assignment as laborers or motor-vehicle employees in the district or office from which surplus over any other employees transferred to or appointed in said district or office.

Mr. TABER. I wonder if someone will not explain this bill.

Mr. MAAS. Will the gentleman yield to me to explain the matter?

Mr. MEAD. I will be glad to yield.

Mr. MAAS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of this bill is to take care of postal laborers and drivers when they are transferred temporarily into a lower grade. It does not affect the pay where it is a permanent transfer to a lower grade; but we sometimes have a situation such as where we put up a new Federal building, and have to surplus a few of the employees temporarily. The custom has been to get them jobs in the custodial service at lower pay. This bill provides that they may draw the same pay during the period of their temporary transfer. It is not compulsory that those men be picked for such jobs. It simply gives an opportunity to them to carry on while they are awaiting that service. If this is not done, in the end it will cost the Government more money, because these men are trained for this work. If they cannot hold that same pay while on temporary other duty due to no fault of their own, they are going to get out of the service, and we will have to take in new men and train them, with a loss of efficiency during that time. In any event, it would not cost much at the time, and it is a matter of efficiency in the service and actual economy in the long run. After all, it is a matter of fair play and justice to faithful Government employees.

Mr. TABER. Will the gentleman yield?

Mr. MAAS. I yield.

Mr. TABER. The Department offered something like this as to the final sentence of the bill, "which would give surplus



laborers preference for regular assignment in their own district, the legislation is entirely unnecessary, the regulations of the Department now requiring that such preference shall be given to surplus laborers." Then up above with reference to another provision it says, "The provision would therefore seem to be inadvisable as well as unnecessary." Then it says further that "Wherever possible, transfers without change in pay are arranged."

Mr. MAAS. In the public hearings the fact was brought out that while that is the custom, it is not mandatory at all, and there are instances in which it might not be done. The Department interposed no objection to it. They merely thought it was redundant, but we find cases where this language may be very essential. The Department has no opposition to it. How can they have if they say it is what they do anyway? This makes it certain that they will keep on doing it.

Mr. TABER. This statement is contained in the report:

By the first sentence in the proposed measure a particular group of employees in the Postal Service would be singled out for special consideration. No other group has such protection. The provision would therefore seem to be inadvisable as well as unnecessary.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MEAD. The Department said there was no other group which was given this preference, but this is the law with regard to railway postal clerks whom these laborers serve:

When railway postal clerks are transferred from one assignment to another because of changes in the service, their salaries shall not be reduced by reason of such change.

The railway postal clerks are protected by law in case of a change in service or headquarters; the law says they shall not be reduced by reason of such change.

Mr. TABER. Is that a regulation?

Mr. MAAS. That is the present law.

Mr. MEAD. That is the law at the present time.

We are just giving these Railway Mail Service laborers the same protection which the law now gives the railway mail clerks. I would also call the gentleman's attention to the fact that the passage of this bill will not add any material cost to the service. It will, on the other hand, prevent postmasters from transferring laborers from this particular service, where they are qualified and experienced, to the custodial service at a reduction in pay, such transfers in many cases not being necessary because of the presence of substitutes in that particular service; and it will result in better order and keep the laborers in the class to which they are entitled.

Mr. MAAS. Mr. Speaker, I yield back the balance of my time.

Mr. MEAD. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### PRIVATE EXPRESS

Mr. MEAD. Mr. Speaker, I call up the bill (H. R. 8869) to amend sections 181 and 186 of the Criminal Code.

The Clerk read the title of the bill.

Mr. MEAD. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted, etc.,* That sections 181 and 186 of the Criminal Code (secs. 304 and 309, title 18, U. S. C.) be, and they are hereby, amended to read as follows:

"Sec. 181. Whoever shall establish any private express for the conveyance of letters or packets or in any manner cause or provide for the conveyance of the same over any post route which is or may be established by law, or from any city, town, or place, to any other city, town, or place, between which the mail is regularly carried, or whoever shall aid or assist therein shall be fined not more than \$500 or imprisoned not more than 6 months, or both.

Nothing contained in this section shall be construed as prohibiting any person from receiving and delivering to the nearest post office, postal car, or other authorized depository for mail matter any mail matter properly stamped."

"Sec. 186. Nothing in this chapter shall be construed to prohibit the conveyance or transmission of letters or packets by private hands without compensation, or the conveyance for one sender, in any one day, of not more than 25 letters by special messenger employed for the particular occasion: *Provided*, That whenever more than 25 such letters are conveyed or transmitted by such special messenger for one sender in any 1 day, the requirements of section 3993 of the Revised Statutes (U. S. C., title 39, sec. 500) shall be observed as to each piece."

With the following committee amendments:

Page 1, strike out lines 3, 4, and 5, and insert in lieu thereof the following: "That section 181 of the Criminal Code (U. S. C., title 18, sec. 304) be amended to read as follows."

Page 2, after line 6, insert the following:

"Sec. 2. Section 186 of the Criminal Code, as amended (48 Stat. 1207), is amended to read as follows."

Page 2, in lines 11 and 13, after the word "letters", insert "or packets."

The committee amendments were agreed to.

Mr. RICH. Mr. Speaker, I move to strike out the last word to ask the chairman of the committee a question. If this particular bill prohibits anyone from carrying packages or mail and delivering them where mail is now distributed by carrier, it will interfere with several long-established business customs. For instance, take the situation where a manufacturer wants to deliver statements to his customers by his own messenger; under this bill he would be subject to a fine of \$500, as I understand it.

Mr. MEAD. No; not if the messenger was one of his employees; but if he gave the contract for the delivery of mail to an outside agency, then the outside agency would be interfering with the postal monopoly. Electric light companies, for instance, may still deliver letters and bills by using their own employees, but they are prohibited from contracting for that service with an outside agency.

Mr. RICH. One of our principles of government is opposition to monopoly; and we should be trying to enforce the Sherman antitrust law. Is it now possible that the Government itself is now going to establish a monopoly whereby a business man cannot employ whom he sees fit under such arrangements as he sees fit to deliver his packages and statements? Forbid such procedure.

Consider, furthermore, that we have express companies today which are transporting packages over this country; is the Government going to prohibit express companies from delivering packages? Is the Government going to establish a monopoly in the delivery of parcel post? Were we to do that it would be contrary to good, sound business principles. In other words, we would be establishing the Government in the business of delivering packages contrary to good, common-sense reasoning, in my judgment. Placing the Government in monopoly of express and parcel post. It is wrong. The Government is monopolizing the field of transportation.

Mr. MEAD. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. MEAD. From my observation of the gentleman's philosophy I am sure he is anxious to return to the principles enunciated by the founders of this Government.

Mr. RICH. It is my hope that I may do something to that end. The new deal is a failure, let us get back to some sound fundamentals.

Mr. MEAD. The founders of our Government in 1792 created the postal monopoly. We are trying to perpetuate and protect the postal monopoly.

Mr. RICH. If my good friend will permit, the postal monopoly applies only to letters. If a person drops a letter in the post office he expects the Government to deliver it to its destination. We are going to protect that letter in every way possible. That is what the forefathers wanted to do. When the forefathers established the postal monopoly they did not intend that the Government should interfere with private individuals delivering merchandise over the country, nor did they intend that the Government should monopolize transportation in any sense such as we are trying to do by this bill and such as we have been trying to do since we



established the parcel post. I may say to the gentleman, who is Chairman of the Committee on the Post Office and Post Roads that if there is one agency in this country that is trying to wreck private business it is the parcel-post branch of the Postal Service in its effect on the express companies of the country. The gentleman must admit that.

Mr. MEAD. Oh, no; we are not going to destroy the express business of the country. We may be competing with them on parcel post, but I may say to the gentleman that business generally has come to approve the activities of the Post Office Department insofar as the parcel post is concerned. We find that business men use the Parcel Post Service provided it is more reasonable in cost. Where it is not they use the express service.

The express companies are taking some of the second-class business away from the Post Office Department. We find the express companies carrying our mail over a number of zones and dumping it in the post office for handling and distribution in the last zone, where it is done at a loss to the Government. The express companies are getting the profit; the Department is suffering a loss; and the publishers are making a saving.

Mr. RICH. The Post Office reports show the cost of handling by parcel post a package weighing 10 pounds or over a deficit on existing rates, and the Post Office is in the red for the handling of every such package. How is the gentleman going to account to the American taxpayers for that, and he knows it is a fact? Why deliver any mail at a loss? Why put the citizens of this country out of business by the Government? Why socialize America? That is what we are doing, and the gentleman knows it.

Mr. MEAD. No; I do not.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, I should like to ask the Chairman of the Committee on the Post Office and Post Roads a question: Is it not a fact that the language in sections 181 and 186 would result in something like this: Take a small town, like the one in which I live, where there is situated a certain retail grocer who hires a boy for the special purpose of delivering his groceries to perhaps three or four hundred families that the grocer serves. That delivery boy is delivering more than 25 packages in a day. Would it not bring him under this bill?

Mr. MEAD. Not at all.

Mr. TABER. Would it not prevent an ordinary groceryman from delivering his groceries without violating the law? I cannot read this language any other way.

Mr. MEAD. I may say to the gentleman from New York that this act has been in operation now for a year. It in no wise prevents the grocer whom the gentleman has in mind from using his own employees for the purpose of delivering as many bills or notices as he may see fit. It will, however, affect the telephone or telegraph company, or any other company, from employing an outside agency for the delivery of their mail.

Mr. TABER. Can they hire an express company to deliver anything under this bill?

Mr. MEAD. They can deliver their own mail, but they cannot go out and deliver the mail of any other company.

Mr. TABER. Can an express company, under this bill, continue to deliver packages, as they have in the past? For instance, the Railway Express Co.?

Mr. MEAD. This has no effect upon packages. Where we use the word "packet" in this bill, we borrow the word from the existing law which has come down to us since the creation of the Post Office Department. The word "packet" means four or more sheets of paper, and comes down to us from the time before envelopes were used, the sheets being folded in order to eliminate the need of an envelop.

Mr. TABER. The Attorney General says in his letter under date of July 9, that it is proposed that the words "by regular trips or at stated periods" be eliminated, thus making it an offense to carry letters and packages by private express in any manner or at any time.

Mr. MEAD. The original law was intended to bar private messenger companies from contracting to carry mail for some other business enterprise. The offending companies contended that, as they were not delivering the mail by regular trips and at stated periods, they were outside of the law, and when the Post Office Department instituted proceedings against them they said: "Well, we are delivering more than 25 letters, but we are not delivering them by regular trips or at stated periods." The Attorney General informed the Department it was difficult to enforce the law as it was written and it would be helpful if they would eliminate the language "by regular trips and at stated periods." This bill in no way interferes with the intent of the law passed a year ago.

[Here the gavel fell.]

Mr. MEAD. Mr. Speaker, I move the previous question on the passage of the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. TABER) there were yeas 97 and noes 2.

Mr. RICH. Mr. Speaker, I object to the vote on the ground that there is not a quorum present.

The SPEAKER. The Chair will count.

Mr. RICH. Mr. Speaker, I withdraw the motion.

So the bill was passed.

A motion to reconsider was laid on the table.

#### SECOND-CLASS MAIL MATTER

Mr. MEAD. Mr. Speaker, I call up the bill S. 1439, amending the postal laws to include as second-class matter religious periodicals publishing local information, and ask unanimous consent that it may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

Mr. DICKSTEIN. Mr. Speaker, reserving the right to object, I would like to know from the chairman whether I can get some time.

Mr. MEAD. The gentleman can get 5 minutes by moving to strike out the last word.

Mr. DICKSTEIN. I should like to have 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MEAD].

Mr. DICKSTEIN. I object, Mr. Speaker.

The SPEAKER. This bill is on the Union Calendar.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1439, with Mr. BOYLAN in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MEAD. Mr. Chairman, the purpose of this bill is to extend the second-class mailing privilege to religious publications of the kind issued by a parish, a publication that informs the parishioner, for example, of the events, religious and social, that are taking place in his community. The present law reads as follows:

It must be originated and published for the dissemination of information of a public character.

This is a qualification that prevents in most cases the little parish publication from being given the second-class mailing privilege, and, therefore, we add to that qualification this language: "Or for the dissemination of local information by religious organizations." Under the language added by the bill, they will not have to qualify by proving to the Post Office Department that at least half of the information contained in the publication is of a public or general character.

I hardly believe that a further explanation of the bill is necessary, and unless there is objection I shall ask that the bill be read for amendment.

Mr. DICKSTEIN. Mr. Chairman, I would like to have some time on this bill. There seems to be no one else here in opposition to it.



Mr. MEAD. Mr. Chairman, I yield the gentleman from New York 5 minutes.

Mr. DICKSTEIN. Mr. Chairman, I am always suspicious of any bill that seeks to amend the law so as to permit certain groups of people to second-class mail matter for the purpose of disseminating certain information.

In the investigation made by the Committee on Un-American Activities we found a group of people who called themselves local leaders, so-called "religious persons", who were disseminating through the mail literature that is almost vicious to read. If you will read it, you will find it seeks really to overthrow the Government of the United States under the guise of sending it from one friendly person to another friendly person in one State or another. It became so obnoxious that we could not even attempt to read all the stuff that goes through the mail even without having the second-class privilege. If this bill proposes, as I understand it does propose, to put the information of this particular group in the category of second-class mail matter and give this group this privilege, I should like to offer an amendment at the proper time.

Mr. DOBBINS. Mr. Chairman, will the gentleman yield?

Mr. DICKSTEIN. When I finish my statement I will yield.

Mr. DOBBINS. Will the gentleman yield just as a matter of enlightenment?

Mr. DICKSTEIN. Yes.

Mr. DOBBINS. The present law allows what the gentleman has just suggested to be done. The only change this bill makes in the present law is that while the present law as to second-class matter admits these religious publications to the second-class privilege, as construed by the Department they must include in them at least 50 percent of public or general information. This public or general information may be the very communistic thought to which the gentleman from New York refers, while the amendment permits them to have the second-class privilege if they are publications with only local information, and what sort of local information can constitute communistic propaganda?

Mr. DICKSTEIN. I understand that, and that is not what I am after. I am after the group that under the guise of being a religious group sends from abroad a bunch of printed matter to Mr. A in this country, and Mr. A, who is supposed to be of the same religious group, sends throughout this country this propaganda which creates racial disturbances within the United States. This committee at least should have no objection to the amendment which I shall offer.

Mr. DOBBINS. The purpose of the bill is to get rid of that general matter and confine the publications to local matter.

Mr. DICKSTEIN. I grant that, and I am trying to show you how they get around the law and make it local matter. We can trace these various writings and booklets and pamphlets and show that they not only seek to undermine the Government of the United States but also seek to bring about racial and religious intolerance in the United States both from within and without.

Now, what objection could this committee have to accepting an amendment which I will offer, which provides:

After line 9, on page 1, add two new sections, as follows:

"SEC. 2. That subsection (4) of section 14 of the act entitled 'An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes', approved March 3, 1879, is further amended by adding at the end of the subsection the following proviso:

"Provided further, however, That nothing herein contained shall be so construed as to admit to the second-class rate any publication, printed either in the United States or abroad, which, regularly or periodically, tends to create or foster or extend any racial or religious intolerance of whatever character, or which, periodically or regularly, advocates forceful and violent overthrow of the Government of the United States by means not authorized by the Constitution, or which contains subversive propaganda instigated from foreign sources against the form of government enjoyed in the United States.

"SEC. 3. That publications denied admission to the second-class postal rate under section 2 of this act shall hereafter be deemed unmailable matter and shall be excluded from the mails for transmission to points within the territory of the United States or Territories thereof."

What objection could the Committee have to inserting in the bill something of that kind to protect our people who do not subscribe to the belief in communism, who do not subscribe to the belief in Hitlerism or any other ism except Americanism? What objection can the Committee have to accepting an amendment which will safeguard our people from the agents of foreign governments who bring in tons of literature of foreign governments that is designed to upset our form of government. They are bringing into this country literally thousands of tons of such literature.

Mr. BIERMANN. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. BIERMANN. Does not the gentleman think that it might exclude Republican newspapers?

Mr. DICKSTEIN. I do not think the gentleman should make a gesture about this or joke about it.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. DUNN of Pennsylvania. When you make the statement that these people are trying to undermine the Government, I do not think it is possible for them to undermine this Government if we see to it that the unemployed get a living wage.

Mr. DICKSTEIN. I am willing to subscribe to that philosophy. What I object to is that these papers and magazines come in by the hundreds of thousands, brought into this country and distributed as religious literature of some church, which, if read, would create the most intense hatred against our Government that you can imagine.

Mr. RICH. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. RICH. I want to call the gentleman's attention to the letter of Mr. Howes, Acting Postmaster General, in which he says:

While the meritorious character of the organizations which the bill seeks to favor is recognized and appreciated, the cost of handling and transporting second-class matter in the mails is so greatly in excess of the revenue derived therefrom that the Department strongly feels that there should be no extension of the second-class mailing privilege.

Mr. BOILEAU. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. BOILEAU. I abhor religious intolerance as much as the gentleman, but does not he think it is dangerous to leave the Department determine what is religious intolerance?

Mr. DICKSTEIN. That would be determined by decision after proper hearings.

Mr. BOILEAU. The Post Office Department will determine whether or not each publication is guilty of religious intolerance?

Mr. DICKSTEIN. Certainly. If the spirit of this whole movement is found to be intolerance among our different races, then the Department would take that privilege away from the group disseminating that information.

Mr. BOILEAU. I am in deep sympathy with the objectives of the gentleman, but I am afraid it would be dangerous to leave in the hands of any governmental agency, bureau, or individual the right to determine what is religious intolerance, so far as the freedom of the press is concerned.

Mr. DICKSTEIN. But in lines 8 and 9 you are creating a new group, which would be permitted to have the privilege of the second-class mail rates to disseminate subversive information under the guise of religion. What objection could any religious organization have to inserting something in there to the effect that it must not be the kind of religion that advocates undermining the Government of the United States?

Mr. BOILEAU. But that is not the entire purport of the gentleman's amendment, as I understand it. I understood the gentleman's amendment would prohibit the second-class mail privilege to a publication that advocates religious intolerance. I am not discussing the question of advocating the overthrow of the Government. I am directing my attention to that part of the gentleman's amendment which would restrict the use of the mails to a periodical or paper



that advocates religious intolerance. I for one do not want to leave in the hands of any one individual the right to determine what is and what is not religious intolerance, because, after all, the basic principles of our Government are freedom of religion and freedom of the press.

Mr. DICKSTEIN. That is right.

Mr. BOILEAU. I want to guarantee to the gentleman and to every other gentleman the same right that I demand for myself.

Mr. DICKSTEIN. I agree with the gentleman.

Mr. BOILEAU. But you are going to give to the Post Office Department the right to say what is religious intolerance.

Mr. DICKSTEIN. I am trying to answer the gentleman, but he is now continuing his argument. This bill creates a new section; a new law that would permit certain people to disseminate local information. In what way? As a religious organization. If this were enacted into law, they would have the right and privilege to send all of that stuff through the mails with the second-class mail privileges.

Mr. DOBBINS. Will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. DOBBINS. The bill does not propose any such thing at all. That law is already on the statute books.

Mr. DICKSTEIN. I appreciate that.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. MEAD. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. DICKSTEIN. This bill proposes to amend by inserting, after the words "public character", the words "or for the dissemination of local information by religious organizations." My amendment would simply prevent any group of people, under the guise of religion, from using the second-class mail privileges to disseminate the information if it is found, upon investigation, that the group poses as a religious group for the purpose of disseminating subversive information. I say that right should be taken away from them upon the ground that what they are seeking to do is to undermine our Government.

Mr. BOILEAU. And in addition to that, religious intolerance.

Mr. DICKSTEIN. You have to put the responsibility some place. You are placing it in the Department of the Post Office, and where else would you put it?

Mr. BOILEAU. Do I understand that the gentleman's amendment provides that they may be deprived of the use of the mail if they advocate the overthrow of the Government and also if they indulge in religious intolerance?

Mr. DICKSTEIN. That is right.

Mr. KELLER. Let us have the amendment read.

Mr. TABER. Mr. Chairman, the amendment has not been offered and the bill has not been read.

Mr. DICKSTEIN. I ask unanimous consent to proceed for 1 minute so that the Clerk may read the amendment in my time.

Mr. TABER. I shall object to that. I think it is time enough to read it after the bill has been read.

Mr. MEAD. Mr. Chairman, I ask that the bill be read for amendment.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

*Be it enacted, etc.,* That subsection "Fourth" of section 14 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes", approved March 3, 1879, is amended by inserting after the words "public character", the words "or for the dissemination of local information by religious organizations."

Mr. DICKSTEIN. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. DICKSTEIN: After line 9, on page 1, add two new sections, as follows:

"SEC. 2. That subsection (4) of section 4 of the act entitled 'An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other

purposes', approved March 3, 1879, is further amended by adding at the end of the subsection the following proviso:

"Provided further, however, That nothing herein contained shall be so construed as to admit to the second-class rate any publication, printed either in the United States or abroad, which regularly or periodically tends to create or foster or extend any racial or religious intolerances of whatever character, or which, periodically or regularly, advocates forceful and violent overthrow of the Government of the United States by means not authorized by the Constitution, or which contains subversive propaganda instigated from foreign sources against the form of government enjoyed in the United States."

"SEC. 3. That publications denied admission to the second-class postal rate under section 2 of this act shall hereafter be deemed unmailable matter and shall be excluded from the mails for transmission to points within the territory of the United States or territories thereof."

Mr. DOBBINS. Mr. Chairman, I make a point of order against section 3 of the proposed amendment as not germane. The bill deals only with what shall be admitted as second-class mail and creates no criminal offense. It does not purport to declare what is mailable or unmailable matter. This amendment goes beyond the range of the original bill and declares certain matter to be unmailable.

Mr. DICKSTEIN. I would like to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman from New York.

Mr. DICKSTEIN. Mr. Chairman, section 3 simply relates to section 2. Section 3 simply provides that publications denied admission to the second-class postal rate under section 2 of this bill shall hereafter be deemed unmailable matter and shall be excluded from the mails for transportation to points within the United States. It simply follows out and carries into effect the intent of section 2 of this bill. I respectfully submit it is germane to the subject matter now under discussion.

The CHAIRMAN. Does the gentleman from Illinois [Mr. DOBBINS] desire to be heard?

Mr. DOBBINS. The bill has to do only with what might be admitted to be a favored class—the second class of mail matter—thereby obtaining a preferential postage rate which is given second-class matter. It has nothing to say about whether matter of this kind or any other kind may be admitted to the first or third or fourth class of mail matter, nor does it prohibit it from coming in as second-class matter if it complies with the requirements of what second-class matter may be. Section 3 of the amendment proposed by the gentleman from New York [Mr. DICKSTEIN] would prohibit a citizen from sending matter of this kind through the mails in any form whatever, and declares it to be unmailable. The bill itself has nothing to do with what may be mailable or may not be mailable but simply admits certain mail to a particular favored class of mail, whereby a favored rate is obtained.

The CHAIRMAN (Mr. BOYLAN). In the opinion of the Chair the bill, S. 1439, proposes to amend the act of March 3, 1879, by inserting after the words "public character" the words "or for dissemination of local information by religious organizations."

According to the amendment offered by the gentleman from New York [Mr. DICKSTEIN] various other extraneous matters are proposed. The amendment proposes "that nothing herein contained shall be so construed as to admit to the second-class rate any publication, printed either in the United States or abroad, which regularly or periodically tends to create or foster or extend any racial or religious intolerances of whatever character, or which, periodically or regularly, advocates forceful and violent overthrow of the Government of the United States by means not authorized by the Constitution, or which contains subversive propaganda instigated from foreign sources against the form of government enjoyed in the United States", and so forth.

In the opinion of the present occupant of the chair those are various extraneous matters that are not germane to the bill.

The Chair therefore sustains the point of order.

Mr. DICKSTEIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.



Mr. DICKSTEIN. I understand the gentleman from Illinois only addressed his point of order to section 3. There has been no point of order raised against section 2, and, as I pointed out, section 3 simply relates to section 2. From what I gather, the Chair has sustained a point of order to the entire amendment.

The CHAIRMAN. The Chair took the amendment as a whole and passed on it in its entirety instead of segregating it into different sections.

Mr. MEAD. As I understand, the Chair has sustained the point of order made by the gentleman from Illinois, and the amendment is not to be considered?

The CHAIRMAN. The Chair has ruled that the amendment is not germane.

Mr. MEAD. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the same do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOYLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill S. 1439, and directed him to report the same back to the House with the recommendation that it do pass.

Mr. MEAD. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. DICKSTEIN) there were ayes 78 and noes 2.

Mr. RICH. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The Chair will count.

Mr. RICH. Mr. Speaker, I withdraw the point of no quorum.

So the bill was passed.

A motion to reconsider was laid on the table.

Mr. MEAD. I may say to the Members that I have but one more bill.

#### PNEUMATIC MAIL-TUBE SYSTEMS

Mr. Speaker, I call up the bill (H. R. 4450) to provide for the purchase of the pneumatic mail-tube systems in New York and Boston.

The Clerk read the title of the bill.

Mr. MEAD. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Without objection, the Clerk will report the committee amendment.

The Clerk read the committee amendment, as follows:

Strike out everything after the enacting clause and insert in lieu thereof the following:

"That the Postmaster General is authorized and directed to provide for an appraisal by competent engineers of the properties comprising the pneumatic mail-tube systems in New York and Boston and the franchises enjoyed and patent rights utilized in connection therewith.

"Sec. 2. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum as may be necessary to carry out this act, but not to exceed \$25,000."

Mr. MEAD. Mr. Speaker, this bill was introduced early in the session by the gentleman from Massachusetts [Mr. McCORMACK]. It called for the purchase of the pneumatic tube systems at New York and Boston. The Committee on the Post Office and Post Roads held hearings and decided that in view of the fact that the appraisal of these systems, which was conducted by the Interstate Commerce Commission, was not up to date, the bill should be amended; and it was amended, eliminating all idea of purchasing the tubes at this time. It now calls for an up-to-date, independent appraisal of the properties involved in this transaction.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield.

Mr. RICH. Will the appraisal that is provided for in the pending bill take into consideration the appraisal which was made so that that part of the cost can be saved and not duplicate something which was done a year or two ago?

Mr. MEAD. The independent engineers who will make this appraisal will have turned over to them by the Post Office Department the appraisal which was heretofore made; but I may say to the gentleman from Pennsylvania that the appraisal which was made before, which was given to our committee, and which is available to the gentleman from Pennsylvania, is not as up-to-date as the committee would like to have it before it passes on a question of this kind.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I shall be pleased to yield.

Mr. McCORMACK. I may also say that in the Post Office Department there is a committee of postmasters and post-office inspectors appointed by the Postmaster General to which matters relating to this subject are referred for study. They have made complete investigations. They have made a most thorough investigation and have traveled all over the country. They made this favorable recommendation.

The Interstate Commerce Commission made an appraisal a few years ago. The purpose of this bill is to bring that appraisal up to date.

I introduced a bill authorizing the purchase of these tubes for a sum not exceeding \$2,250,000. The Interstate Commerce Commission appraised these properties as worth \$1,750,000, but their appraisal eliminated certain factors such as goodwill. The Department itself recommended this extra appraisal. So instead of there being an authorization to purchase, we are just seeking to put through at this time an authorization for the appraisal. So the matter will have to come back to the Congress again.

Mr. RICH. The gentleman says he introduced a bill authorizing the purchase of these tubes for \$2,250,000 and that the Interstate Commerce Commission had made an appraisal of \$1,750,000. Suppose the new appraisal should show a value of \$3,000,000; would the gentleman introduce a bill for their purchase at that figure?

Mr. McCORMACK. No. The bill I introduced was introduced after a profound investigation, looking into the Department's records to find evidence warranting, in my mind, and justifying the introduction of the bill. The records made out a prima facie case; \$2,250,000 is an outside figure. The appraisal of \$1,750,000 disregarded goodwill and certain other factors. That appraisal, however, is about a year or two old, and the Department itself recommended this appraisal, and the committee reported out the bill confining it to the appraisal. I think it is a very good thing, and I am in harmony with the change made.

Mr. RICH. Is there any effort on the part of the people who own these tubes to try to sell them to the Government? Is that the purpose of the bill, to recommend purchase by the Government after the appraisal is made?

Mr. McCORMACK. This committee of the Post Office Department has recommended such purchase, for the Department can save money so far as these two particular cities are concerned.

The purpose of this appraisal, frankly, is to determine whether or not the Government should make the purchase, and whether or not it is to the interest of the Government and the taxpayers that such purchase should be made.

Mr. RICH. Even if the Department should make such a recommendation, where are we going to get the money?

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. MEAD. I yield.

Mr. SNELL. I notice this bill applies only to New York and Boston. What has become of the tubes in these other cities where we used them; what is the situation now?

Mr. MEAD. I do not know of any other tubes in operation.

Mr. SNELL. What became of the tubes in Philadelphia?

Mr. MEAD. I believe there was a tube system there, but that is not involved in this proposal.

Mr. SNELL. They are not even leasing them at the present time?



Mr. McCORMACK. As I understand it, answering the question of the gentleman from New York [Mr. SNELL], if the gentleman from New York [Mr. MEAD] will yield, the Post Office Department has two classifications of large cities, the centralized system and the decentralized system. This committee of the Post Office Department felt that the purchase of the pneumatic tubes which related to the decentralized distribution system, as I understand it, would be for the best interests of the Department and of the Government. The others are to remain in status quo. That was their recommendation. So this bill is confined to the authorization for this appraisal by independent engineers, confined to that portion of the Post Office Committee's recommendation which was of a favorable character, and the others will continue in their present status.

Mr. MEAD. If the gentleman will permit, I will ask the chairman of the subcommittee that considered the bill to answer the question with reference to the tube systems.

[Here the gavel fell.]

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HAINES. Mr. Speaker, the original tubes were constructed during the administration of John Wanamaker as Postmaster General and were first erected in the city of Philadelphia. They have since been abandoned in Philadelphia and Chicago because it has been discovered that they are not a sound economic policy so far as the Post Office Department is concerned.

The committee held extensive hearings on this proposition and learned that it is costing the Government more than a half million dollars a year right now to maintain these systems in New York and Boston. It is believed that if the Government can acquire these systems for \$1,750,000 they will save a little money, but if they have to pay more than that amount they will not save any money at all.

Mr. SNELL. This question has been before the Congress ever since I can remember. We have always leased these tubes. Personally, while I have no interest in these tubes and do not know who owns them, I believe if it is necessary for the efficient operation of the Post Office Department that it is much better for the Federal Government to own them than to continue to lease them. That is my honest opinion, although I know very little about it, except from the business standpoint.

Mr. HAINES. I think the gentleman is correct.

Mr. SNELL. The probabilities are these tubes could be purchased at a fairly reasonable figure?

Mr. HAINES. Yes.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. MEAD. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended to read: "A bill to provide for the appraisal of the pneumatic mail tube systems in New York and Boston."

REPRESENTATIVE C. D. SULLIVAN

Mr. MEAD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, I want to call the attention of the House, and particularly those Members of the House who have risen to the high and estimable military rank that was conferred upon our minority leader by the Governor of Kentucky a few weeks ago, to the fact that the Democratic delegation from the State of New York has a man who has been similarly honored and is now in the

charmed circle with our minority leader and others who have been so honored by the Governor of Kentucky. I want to announce to the House and for the RECORD that by reason of his devotion to his duty and to the industry that made Kentucky famous, the development of thoroughbreds, the Honorable CHRISTY SULLIVAN, of the New York delegation, is now a Kentucky colonel. This honor was conferred on him before the Democrats from the State of New York at a luncheon yesterday, and I want the world and the House to know it. He richly deserved the honor. [Applause.]

#### USE OF THE WATERS OF THE RIO GRANDE

Mr. McREYNOLDS submitted a conference report and statement on the bill (H. R. 6453) providing amendments to the act of May 13, 1924, entitled "An act providing for a study regarding the equitable use of the waters of the Rio Grande below Fort Quitman, Tex., in cooperation with the United States of Mexico", as amended by the public resolution of March 3, 1927, and for other purposes.

#### DEPOSIT OF SEWAGE INTO NAVIGABLE WATERS OF THE UNITED STATES

Mr. DINGELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 296.

The Clerk read the resolution, as follows:

*Resolved*, That the President is hereby respectfully requested to inform the House of Representatives of the number and distribution of Federal institutions and establishments of every kind and character which are depositing or causing to be deposited raw untreated sewage into navigable or nonnavigable waters of the United States, and to transmit to the House of Representatives such recommendations with respect thereto as he deems advisable and in the public interest.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. SNELL. Mr. Speaker, reserving the right to object, the gentleman has consulted me in regard to this resolution. I think the resolution or one similar to it was called up for consideration sometime ago. I did not think it was the proper thing to pass at that time. But the gentleman informs me that under the resolution in its present form there is positively no expense involved and that the Rivers and Harbors Committee is in favor of the same. The gentleman informs me that it is right and proper to pass and for the benefit of the whole country. He feels that this information should be presented to the House of Representatives, and, so far as I am concerned, I have no objection.

Mr. RICH. Mr. Speaker, reserving the right to object, may I ask the gentleman how he is going to get all this information without cost?

Mr. DINGELL. I may say to the gentleman that the various departments have such information available and it is only a question of asking them to submit same. Moreover, I may say to the gentleman that the Rivers and Harbors Committee welcomes the purport and purpose of this resolution because it will aid them in bringing out such legislation as is necessary to correct some of the insanitary conditions which affect wildlife and the pollution of waters which usually are used in human consumption.

Mr. RICH. Under the explanation of the gentleman I have no objection, but I should like to make the comment that you are going to spend seven and one-half million dollars for a new survey of industries in this country. I thought probably the President would send out another expeditionary force to gather this information and that it might come in next year when it would be a good political movement.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DINGELL]?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### A NOTABLE MILITARY CAREER—THE SERVICE OF BRIG. GEN. WILLIAM MITCHELL

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks upon the subject of the military career of Gen. William Mitchell.



The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I feel the splendid record of service of Gen. William Mitchell deserves mention in the RECORD of the Congress, of which his father was long a most useful and influential Member.

His father, John L. Mitchell, was a Member of the House of Representatives and a member of the Committee on Military Affairs, and was later a Member of the United States Senate. He was also an able and distinguished soldier in the Army of the United States during the War between the States. General Mitchell's forbears have had a leading part in the building up of the great Northwest as pioneers in railroading, in industry, and in finance. It was inevitable that a man with such a background should himself be a leader, and no man disputes the fact that Gen. William Mitchell has been and is a leader of men in thought and in action.

The career of Brig. Gen. William Mitchell is one of the most remarkable in the military history of the United States. No man can gainsay the loyalty of General Mitchell to our Nation nor his sincere zeal for the cause of national defense. There may be honest differences of opinion upon the wisdom of his course in emphasizing the backward condition of air power in the United States Army and of the necessity for building up an adequate modern national defense system to insure our Nation against invasion—first by air forces and next by sea forces, and finally by land forces.

Whatever difference of opinion may prevail as to the propriety and the expediency of the methods employed by General Mitchell to bring these facts home to the attention of the American people, all frank and candid persons must admit that General Mitchell had the vision to forecast the development of aviation, and to foretell its great power as a factor in national defense, and to discern that our organization, equipment, and training of air-defense forces were utterly inadequate. Conceding the necessity for rigid discipline in the Army and for scrupulous subordination to higher command, it must also be admitted that circumstances alter cases, and that conditions oftentimes arise when regulations are more honored in the breach than in the observance. Such I believe to be the case of General Mitchell. No man outside of the Army had his intimate knowledge of aviation conditions. It was, therefore, impossible for any man outside of the Army to have spoken with the telling emphasis that the knowledge of General Mitchell made possible. Undoubtedly the revelations of General Mitchell aroused the attention and stimulated the resolution of the American people to keep pace with the progress of the world in the matter of air defense. If it appeared to General Mitchell it should be necessary for him to be a martyr in order to arouse the country and arrest deplorable conditions then existing, he is to be commended for having the courage and for making the sacrifice.

I am not raising any issue with the court martial before which General Mitchell was tried. I am conceding that from the Army point of view the judgment of the court martial was justified. After his conviction I can understand how General Mitchell felt that he could best continue to serve the Nation by resigning from the Army and setting himself free from its necessary restraints, and thus opening wide the door of opportunity to speak freely to the American people at all times upon all phases of national defense and especially defense by air power. It is my personal belief that in these matters General Mitchell has rendered an enduring service of inestimable value to the Nation. For these reasons I am writing into the records of the Congress the events of his marvelous military career. Time has already justified his course of conduct, and I believe that with the passage of more time history will acclaim General Mitchell as one of our Nation's true heroes, willing to sacrifice all for his country, not only during the enthusiasm and delirium of war, but also, and perhaps more important, during the prosaic piping times of peace.

As I understand it—and I feel sure that I am right, because I was present during much of the court-martial pro-

ceedings and read the charges—General Mitchell was convicted only of conduct prejudicial to good order and to military discipline. The specifications under this general charge were that the writings and speeches of General Mitchell calling attention to the deplorable condition in our Air Service, especially the obsolete and unsafe planes which were almost daily sending our brave and skillful pilots to their death, were contrary to such good order and discipline. There was nothing dishonorable about it all, as every true soldier knows. He simply put his country's welfare above his Army career. Subsequent developments have justified every word he said and wrote. Therefore his court martial is a badge of honor, as was the trial of Martin Luther at the Diet of Worms.

#### THE RECORD OF WILLIAM MITCHELL IN THE MILITARY SERVICE OF THE UNITED STATES

William Mitchell was educated in private schools at Milwaukee, Wis., and at Racine College, Racine, Wis. During this period he traveled considerably in the United States and Europe. At the time of the outbreak of the Spanish War he was a junior in Columbian College, Washington, D. C. He listened to the declaration of war by the Senate of the United States, of which his father was a Member, then immediately went to his home town, Milwaukee, and enlisted as a private in the same company with which his father had gone to the Civil War.

He proceeded with his regiment to Jacksonville, Fla., where he was commissioned as a second lieutenant in the Signal Corps at 18 years of age. This commission he refused to accept at first, as he wanted to stay with his comrades and go to Habana. He was assigned to the Second Company, Signal Corps, Washington Barracks, D. C. His first duty was in charge of recruit instruction, both in the school of the soldier and the school of the trooper. He had been at Washington Barracks only a few days when two companies of the Sixty-ninth New York left their train while going through Washington, occupied the American House Hotel, threw the policemen out, and took charge of the bar. Mitchell was sent there with a detachment of 14 men, arrested the two companies, and marched them to Washington Barracks without injuring a single man. He was publicly commended for this by the commanding officer.

A few days after this the Second Company, South Carolina, was sent to the Seventh Army Corps at Jacksonville, Fla. There they organized field telegraph trains for that corps. Mitchell's horses at that time won the corps races. The Seventh Army Corps proceeded to Savannah, Ga., from where the signal company embarked for Habana, Cuba. Mitchell took over the first detachment with the transportation, mules and horses, and established the first camp at Camp Columbia, Marianao, Cuba. Shortly after this Mitchell was placed on the staff of Gen. Fitzhugh Lee, where he acted as his aide. In this way he came in contact with a great many distinguished ex-Confederate officers, which, combined with his acquaintance with ex-Union generals, was unique for so young an officer.

When it became necessary to rebuild the telegraph system in Cuba, Mitchell was sent with a detachment on the Spanish steamship *Mortera* to Gibara in Santiago Province. The Spanish captain and crew in command of the ship attempted to unload the animals and detachments in a dangerous manner, but Mitchell seized the ship and took charge of it, put the captain and crew under guard, unloaded all the animals and Government property without loss in a heavy swell, then turned the ship back to the captain. The telegraph lines were completed through the interior of Santiago Province, radiating out from Victoria to Las Tunas as a center. All this area had been swept over by insurgent and Spanish armies and destroyed. In the city of Tunas scarcely a house stood; the few wretched inhabitants still remaining lived in corners of old walls or wickiups. The wells were full of skeletons and bodies of the Spanish volunteers whom the Negro insurgents had killed.

Just after the lines were completed in the spring of 1899, the insurrection in the Philippine Islands under General Aguinaldo broke out. Mitchell immediately applied for service in the Philippines. After some delay, the request was



granted in Washington. Mitchell proceeded to Washington, D. C., via Puerto Rico and New York, running through a tropical hurricane on the way, and took a detachment from Fort Myer, Va., to San Francisco, Calif., from whence he shipped on the old steamship *Zelandia* and landed in Manila during the last days of September 1899. The American troops were outnumbered about three to one by the insurgents and held a comparatively small area around the city of Manila, their base.

General Otis, in command of the Eighth Army Corps, had decided to push the campaign through the rainy season. Three columns were organized, under commands of General Wheaton, to maneuver behind the insurgents; General Lawton, to attack their left flank; and General McArthur, with the Second Division, to attack them in front. Mitchell was sent with McArthur's column. McArthur had been the adjutant of Mitchell's father's regiment during the Civil War.

Mitchell participated in all the operations of the Second Division, Eighth Corps, north of Angeles, and with Captain Carr of the Signal Corps, kept wire and visual communication with the main body of troops as they went ahead. This was extremely perilous service as large escorts could not be taken with the small Signal Corps detachments as they went across the country. They had to rely on their own alertness and hardihood and their knowledge of the topography to save themselves.

When Bautista was reached, General Lawton's column was completely out of communication and had not been heard from in several days. Mitchell was selected by General McArthur to attempt to reach him. Telegraph supplies were extremely short, so Mitchell was forced to improvise equipment. He used barbed wire, and unwound wire-wound guns, used dry bamboo as insulators, and found some old Spanish electric batteries into which he put salt solution as a fluid. The current that went along it was so weak that it had to be received on a man's tongue, while he held his hand in moist ground or a pool of water. Sending was done by touching the ends of the wires together. After working continuously for 24 hours, with a running fight going on practically all the time, Mitchell reached Lawton's headquarters with the telegraph wire, which worked. Natives along the line of march had been told that their houses would be burned and they would be killed if they harmed the wire. Mitchell was mentioned in reports and publicly commended for this accomplishment.

When the insurgent forces were pushed back in the northern part of Luzon, Mitchell was allowed to organize, in connection with his Signal Corps detachments, a party of native scouts. At times detachments of Cavalry or Infantry were assigned to him also. These scouts would work in plain clothes, mingle with the insurgents, find out where their deposits of arms and ammunition were, and report these things. By night marches and quick surprises, Mitchell captured a great many stands of arms, ammunition, and some of the insurgent treasure.

North of Vigan he captured General Tinio's adjutant general, Colonel Mendoza, with all his papers, returns, and muster rolls, showing where all the insurgents in the north were. The insurgents at that time were attempting to run a government parallel with that of the United States in towns, to collect taxes, and gain recruits. If citizens failed to comply with their orders they were killed. Mitchell found out who these people were, and they were taken into custody.

After working up the west coast Mitchell was given the task of running the first telegraph wire from the Carvallo Pass into northern Luzon. This is the wildest country in that island. The shade from the tremendous forests keeps the ground constantly damp, and it is so thickly covered with leeches that they wave in the trails. They get in one's shoes and through the leggings and leave bad sores. The country was infested with wild tribes and head-hunters. After one of the men had been killed and decapitated by the head-hunters, Mitchell, with a few men, followed one of the tribes into their village on top of the mountains, took all their weapons away from them, and told them what would happen if there were any further disturbance, then got out of their country without losing another man.

Mitchell then returned to San Isidro, in northern Luzon, and accompanied Funston on the expedition to Baler, keeping the telegraph wire up with the columns as they advanced. There was no transportation to be had. Mitchell took the native carabao, or water buffalo, made pack saddles of rattan and banana leaves, which carried all the equipment necessary.

A little later, in the fall of 1900, Mitchell was in Pantabangan, Lieutenant Taylor being post commander. Mitchell's scouts reported that letters were coming through that town from the north from General Aguinaldo, whose whereabouts at that time was not known. Mitchell asked Taylor for permission to question the mayor of the town under pressure. This was granted and the mayor told that communications were coming through and promised that any that came in the future would be turned over to Lieutenant Taylor. The mayor kept his word and this led to the capture of Aguinaldo by General Funston. Mitchell tried to be allowed to go with a few men and capture Aguinaldo but General McArthur considered it too hazardous an undertaking.

The main army of the insurgents had then been broken up and all detachments of any size hunted into the mountains and deep forests. The prospect was merely for garrison duty in the Philippines and Mitchell applied to his old friend and commander, General McArthur, then Governor General of the Philippines, for leave of absence to go around the world and it was granted. Mitchell went to Japan, China, the Straits Settlements, India, and Arabia, looking into all the military conditions as far as possible. He was met by his father in Egypt and proceeded to France, where his family was then residing temporarily, with the children in school. Mitchell returned to the United States at the age of 21 and was commissioned in the Regular Army.

There were no wars or expeditions in prospect, the only project that promised action and adventure being the building of the telegraph lines in Alaska. Mitchell applied to General Greely to be sent up there. It was quite a transition from the Tropics to the Arctic. Mitchell was put in charge of the telegraph line work out of Eagle City, Alaska, across to the Pacific coast at Valdez, and down the Tanana and Yukon Rivers to Fort Gibbon. The telegraph work had not been successful before, but Mitchell pushed it through to completion by 1903, working winter and summer uninterruptedly over places where it had formerly been thought impossible to go. Mitchell himself made the final connection.

Upon his return from Alaska, he was assigned to General Baldwin's staff at Denver, Colo., where the terrible miners' strikes had almost assumed the proportions of a civil war. After serving there a few months, he applied for leave of absence, and went to Yucatan and Mexico, thoroughly reconnoitering the country in order to familiarize himself with conditions in case military operations were undertaken there.

In the fall of 1903, Mitchell participated in the first large Army maneuvers since the Civil War, at West Point, Ky. In 1904 he participated in maneuvers at Manassas, Va., which had the greatest number of troops ever handled in this country up to that time, and I believe up to the present. Mitchell had the first military automobile in these maneuvers.

At Fort Myer, Va., Mitchell organized the first field company of the Signal Corps and took it to Fort Leavenworth, Kans., where it became a model of efficiency, not only in ordinary Signal Corps duties but also in shooting and horsemanship. It is believed this company used the first miniature targets for winter practice, of .22-caliber rifles, before proceeding to range shooting. Mitchell himself provided the targets, the small rifles, and the ammunition.

Wireless telegraphy was just beginning to be used. Mitchell built kites which carried wire up into the air for a couple of miles and took the longest message recorded in the world at that time, 1,900 miles, from Fort Leavenworth, Kans., to the steamer *Navarisk* just going into harbor at San Juan, Puerto Rico.

Mitchell was made an instructor in the Infantry and Cavalry School and the Staff College. Mitchell joined the Field Artillery Board in 1905 at Fort Riley, Kans., and dem-



onstrated the necessity for telephonic communications for artillery and its firing control. They were immediately adopted. Wireless pack sets were used for the first time, and many other improvements made in Signal Corps equipment and photography. A photographic wagon accompanied moving columns and took photographs from hills and kites and developed them, putting them in the hands of the troops within an hour.

In 1906 Mitchell, with his company, was sent to San Francisco, at the time of the earthquake. He helped wire up the city and restore communications out of that torn-up area. He was put in charge of the first relief district, the largest in the city, to look after the inhabitants, supply, clothe, and feed them.

Shortly after this, intervention in Cuba was decided upon and General Bell was given command of the expedition. Mitchell was made chief signal officer of it, at the age of 26. He and three other officers were the first to land, to make arrangements for the coming of the Army. After serving there and completing an entirely new Cuban telegraph system all over the island and erecting the first high-power wireless stations in this country, which had been purchased in Europe, he organized the Cuban civil telegraph service. A letter from Gen. A. W. Greely, his commanding officer at that time, shows how Mitchell's service was regarded:

\* \* \* I here state your services as a commissioned officer of the Signal Corps under my command thereof.

In Cuba you distinguished yourself both during the Spanish-American War and later efficiently aided in the reorganization of its civil bureaus.

In Alaska you constructed one of the most difficult sections of the Signal Corps telegraph line, which connected Seattle, Wash., with Nome.

In the Philippines you built a field flying Signal Corps line, which contributed largely to the military campaigns of McArthur and Lawton.

In short, you were one of the energetic and efficient Americans who won for the Signal Corps the special commendation of the investigating Spanish War Commission for its unequalled success.

You invariably won praise from the commanding general under whom you served.

Mitchell applied to go to the Infantry and Cavalry School at Fort Leavenworth, where he was sent in 1907. In 1908 he was made a distinguished graduate of that institution, standing first in the actual handling of troops, and in the summer after the historical ride through Virginia, went to Fort Myer, where the Wrights were demonstrating their airplane, and learned from them all that he could. In 1908-9 Mitchell attended the Army Staff College, then was sent to the Philippines, where he organized a field signal company, the first over there, and took it to Fort McKinley. This company became a model of its kind. During the great eruption of Taal Volcano in 1910, Mitchell, without orders, took his full company there immediately. The communication they installed by wire and wireless brought about much quicker relief than could have been obtained in any other way. He was commended for this by his commanding officer, General Potts.

Mitchell was sent by the commanding general of the Philippine Division on a confidential mission to all the northern islands north of Luzon, which he completely mapped to Botel Tobago, the Japanese island, the southern coast of Formosa, then back to Manila via Pratas Reef midway between Manila and Hong Kong. During this time he took no one with him except the ship's crew of the *Mindanao*. They went through three typhoons during the expedition. Complete information was obtained of what was desired.

At the expiration of Mitchell's service in the Philippines he applied for leave, went to Japan, then to Korea and Manchuria and carefully studied the operations of the Russo-Japanese War on the ground, from Port Arthur to Mukden and on up all the way to Harbin. He also observed the organization, training, and maneuvers of the Japanese Army. When he returned to the United States, he made his report of conditions in the Far East and the Japanese military service in particular. He was recommended for the General Staff by General Wood, then Chief of Staff. While waiting for a vacancy on the General Staff, Mitchell was assigned to duty at Fort Russell, Wyo., where he took command of the sig-

nal company and conducted under the department commander the Army maneuvers in the summer of 1912, in which service ammunition, both for small arms and artillery, was used in time of peace for the first time. The results were extremely gratifying.

Upon the outbreak of trouble on the Mexican border, Mitchell took his company to El Paso, Tex., and established communication wherever necessary all along the frontier from Marfa, Tex., to Douglas, Ariz.

A vacancy in the General Staff having occurred in 1912, Mitchell joined it in Washington, at the age of 32, being the youngest officer at that time ever assigned to the General Staff. Mitchell handled the military information coming in from Europe and attempted strenuously to have measures taken to put our military forces in condition, both in organization and equipment, so they could be expanded rapidly in case we had to enter the conflict which seemed inevitable at that time. The conservatism of the Army opposed it. Mitchell proposed the organization of a continental army, which was called the "continental army plan." Secretary of War Garrison espoused this strongly, and its not being approved was one thing that led to his resignation. Mitchell attempted in every way to get an aeronautical organization at that time, but was stopped at every turn.

Mitchell consistently advocated an industrial survey of the United States with a view to finding out the sources of supply in case we needed them. It was to Mitchell that Howard Coffin was sent, when he came to Washington to work on this problem, and Mitchell outlined to him the method by which it should be done.

When the war in Europe broke out Mitchell was assigned to keep up the war maps at the White House, the War Department, the Senate, and the House of Representatives. At this time he was learning how to fly. He could not get official permission to do it, but would leave on the steamer for Fortress Monroe on Saturday night, go to the Curtiss Air School at Newport News, fly all day Sunday, and come back and report for duty early Monday morning. He learned to fly without many people knowing of it.

In 1915, after one of the perennial mix-ups in the Signal Corps Air Service, Mitchell was put in charge, and immediately reequipped the squadron on duty with General Pershing's expedition with new airplanes, the best they had ever had. Every effort was made to establish an air service against the opposition of the War Department. However, in 1916 the first considerable appropriation for aviation was obtained by Mitchell, helped by Captain Gibbs, of \$13,000,000. Chairman Hay, of the House Military Committee, greatly assisted this.

As it became increasingly apparent that the United States would have to enter the war, and as very little was being done here to prepare for it, Mitchell applied for duty as an observer in Europe and was sent there in March 1917. He went first to Spain to look over their military establishment and see what they could do in case they went in on the side of the Germans, which seemed possible at that time. While there, war was declared by the United States against Germany. Mitchell immediately proceeded to Paris and reported to Ambassador Sharp for duty. He was assigned with the military observers, Majors Logan and Churchill, who had drawn up an excellent, comprehensive, and thoroughly sound plan for the participation of American troops in France. This plan was followed later.

Nothing had been done about aviation. Mitchell could get no replies to his telegrams to the United States, so he organized an office staff with his own money and contributions from patriotic Americans in France, formulated a plan for training and equipping Americans in Europe, which, if followed, would have enabled us to have excellent air squadrons on the front by August or September 1917. Mitchell's recommendations, which are a matter of record, were sent in April to the United States, as to what equipment should be used by our air forces in Europe. These recommendations were not followed. Incompetent individuals were put in charge of aircraft production, who adopted the entirely unsuitable DH-4 British airplane as the standard American



ship, and the Liberty engine, which had never been proved in war and was worthless for that purpose.

The scandalous method of handling this proposition has been thoroughly gone into by competent committees. The \$1,500,000,000 appropriated by Congress was practically wasted because his recommendations were not followed. The airplanes that Mitchell recommended to be built by the United States had to be obtained in Europe anyway, and when he saw what was going on in the United States he personally made arrangements with Daniel Vincent, in charge of aviation procurement in France, to go ahead and build a surplus anyhow, without authority, otherwise we would have had no airplanes for our men on the front.

In the middle of April Mitchell joined General Petain at Chalons sur Marne and participated in the terrific attacks with huge losses which the French Army suffered at that time. He had numerous conferences with General Petain about the participation of the Americans in Europe. The French, seeing how seriously Mitchell was working on the problem, began assigning officers to him and assisting him with his work in every way possible. Mitchell also participated in an infantry attack with the Sixteenth Reserve French Division, for which he was decorated with the Croix de Guerre, being the first American soldier so decorated. He was also the first regular American soldier to enter into battle against the Germans in this war.

Mitchell flew over the enemy lines on every part of the western front. He became thoroughly familiar with the English organization and system as well as the French, and laid out a complete system and organization for the creation of our air forces. Just as this was coming along well, a complete new group of men was sent out from the United States, without any instruction in the air, with limited knowledge of conditions in Europe, and with no knowledge of war, especially in the air. One learns quickly when on the front against an enemy, and in a few months of actual war service one can pick up more than in a lifetime of theoretical study. This new group placed in command made a terrible mess of all our aeronautical matters in Europe and put us back at least 6 months. Mitchell, however, was kept constantly in command of troops actually serving against the enemy on the front. At Chateau Thierry, American air forces distinguished themselves.

Mitchell was the first man to discover the German bridges at Dormans, on the morning of July 15, 1918, where the Germans crossed the Marne River in their attack. This he reported to General Liggett at First Army Corps headquarters, then flew to Bombom and reported it to General Foch. Mitchell made a reconnaissance alone in a single-seated pursuit ship across the Marne salient from Chateau Thierry to Soissons, and came to the conclusion that there were few German troops opposite Soissons, and so reported to General Foch. As a result, General Foch ordered the First and Second Divisions, United States Army, and the Moroccan Division, French Army, to Soissons, where they attacked the Germans at the shoulder of the salient, causing the withdrawal of their whole army.

Mitchell was then given command of the air forces of the First Army and commanded the greatest concentration of air forces in history at St. Mihiel, 1,496 ships. The operation of this force was perfectly carried out; the plan of operations, plan of employment, and tactics served as models for subsequent attacks. In addition to the American air units, Mitchell had under him the whole French air division, three Italian squadrons, and the independent British air force under General Trenchard. At the conclusion of the Battle of St. Mihiel, General Pershing wrote General Mitchell the following letter, which was published to his command:

Please accept my sincere congratulations on the successful and very important part taken by the air forces under your command in the first offensive of the First American Army. The organization and control of the tremendous concentration of air forces, including American, French, British, and Italian units, which has enabled the Air Service of the First Army to carry out so successfully its dangerous and important mission, is as fine a tribute to you personally as is the courage and nerve shown by your officers a signal proof of the high morale which permeates the service under your command.

Please convey to your command my heartfelt appreciation of their work. I am proud of you all.

Sincerely yours,

JOHN J. PERSHING.

Later operations followed in the Argonne battles. When the Second Army was organized Mitchell was given command of the Air Service, group of armies.

The American Air Service was then beginning to form a great force of long-distance bombers designed to attack the center of Germany—Essen and Berlin—in the spring of 1919. Mitchell also proposed and was given permission by General Pershing to draw up plans for carrying a complete division of troops equipped with parachutes, rifles, and machine guns and dropping them behind the enemy lines from airplanes, while attack aviation covered roads in their vicinity until they could form and get together. This would have been carried into effect a short time after November if the armistice had not been effected.

Mitchell participated in the following battles:

American: Cambrai, Somme defensive, Champagne-Marne, Aisne-Marne, Oise-Aisne, St. Mihiel, Meuse-Argonne, defensive sector.

French: Mont Sans Nomme, Mont Cornouillet, Mort Homme, Champagne offensive, Bois de la Grille, Verdun, Malmaison, Noyon.

British: Ypres, Bullecourt.

He took part in the French and British engagements without being ordered or required to do so, in order to become acquainted with the details connected with military operations, both aerial and ground. Mitchell participated in more battles than any officer in the American service during the World War. He now holds the following decorations:

Distinguished Service Cross: Awarded "for repeated acts of extraordinary heroism in action at Noyon, France, March 26, 1918, near the Marne River, France, during July 1918, and in the St. Mihiel salient, France, September 12 to 16, 1918. For displaying bravery far beyond that required by his position as Chief of Air Service, First Army, American Expeditionary Forces, setting a personal example to the United States aviation by piloting his airplane over the battle lines since the entry of the United States into the war. Some instances being a flight in a monoplane over the Battle of Noyon on March 26, 1918, and the back areas, seeing and reporting upon the action of both air and ground troops, which led to a change in our aviation tactics; a flight in a monoplane over the bridges which the Germans had laid across the Marne during July 1918, which led to the first definite reports of the location of these bridges and the subsequent attack upon the German troops by our air forces. Daily reconnaissances over the lines during the battle of St. Mihiel salient, September 12 to 16, securing valuable information of the enemy troops in the air and on the ground which led to the excellent combined action by the allied air services and ground troops, particularly in this battle."

Distinguished Service Medal: Awarded "for exceptionally meritorious and distinguished services. As Air Service commander, first of the Zone of Advance and later of the First Corps, by his tireless energy and keen perception he performed duties of great importance with marked ability. Subsequently, as commander, Air Service, of the First Army, and, in addition, after formation of Second Army, as commander of Air Service of both armies, by his able direction of these vitally important services he proved to be a potent factor in the successes achieved during the operation of the American Armies."

The following are his foreign decorations:

French: Croix de Guerre, with five palms, for exceptional bravery; Commander of the Legion of Honor.

British: Companion of the Order of St. Michael and St. George.

Italian: Commander of S. S. Maurizio e Lazzaro; Italian Cross for Merit in War; Grand Officer, Order of the Crown of Italy.

Very little was known by the ground troops about aerial operations. These were entrusted by General Pershing to General Mitchell's judgment and discretion. The question of command for the spring of 1919 was discussed and it was practically agreed that Admiral Beatty should command all the sea forces, General Foch all land forces, and General Mitchell all the air forces. This probably would have been done had the war lasted. It is believed that General Mitchell was recommended for promotion to a major general slightly before the Armistice was signed. After the Armistice, Mitchell took the air forces of the Army of Occupation into Germany and established headquarters



at Coblenz. There he was visited by the Prince of Wales and others.

General Mitchell was ordered back to the United States to become Director of Military Aviation, in January 1919. He returned by way of Chaumont, where he was one of the seven officers decorated by General Petain with the commander grade of the Legion of Honor and an additional Croix de Guerre.

Before returning to the United States Mitchell with his staff went over the whole front of the American, French, and British Armies, studying it carefully, then into Belgium where they studied the defensive organization of the Germans, both along the coast and inland, their aeronautical organization, the effect of the British air bombardment against the German submarine base at Zeebrugge and how that was organized for defense. Then he proceeded to England, where his old friend, Marshal Trenchard, was in command of the British Independent Air Force. General Mitchell and his staff probably gained more knowledge of all the different parts of aeronautical duty than could the French, Germans, or English, because they were confined largely to their own organizations and did not visit the others so frequently.

Upon returning to the United States General Mitchell was placed on the initial General Staff list. He found aeronautical affairs very much disorganized. The officers who had remained here knew very little about the application of air power beyond that used in primary training schools for pilots. There was great jealousy against anyone who had come back from Europe, and there was intense jealousy on the part of the line of the Army against the rising prestige and power of the air force. This had occurred also in the English, French, and German forces, but hard necessity had taught them what to do. Mitchell immediately reorganized the Service, both tactically and technically.

A great program was laid out looking forward for many years. Technically the immediate construction of airplanes, engines, instruments, and accessories was begun, and a nucleus of technical officers was started. If this program had been carried out, it would have given us airplanes at the present time with a range of 8,000 miles, carrying 4 tons of bombs, with a ceiling of 35,000 feet and speeds up to 500 miles an hour, with instruments and equipment that would have taken ships through any kind of weather and allowed them to land safely in fogs and storms.

In 1919 Mitchell organized the transcontinental airplane race which showed that aircraft could fly from New York to San Francisco in 24 hours' flying time. The air mail, under Otto Praeger, immediately took advantage of what had been learned and an efficient Air Mail Service was laid out, including aids to navigation and accessories. The first airway was organized by Mitchell from Washington, D. C., to Dayton, Ohio.

While all these activities were going on, General Mitchell found time to attend Columbian College of George Washington University, from which he had gone as a junior to take part in the Spanish War in 1899, and had never obtained his degree. By regular attendance at the classes, Mitchell obtained his B. A. degree and was graduated in 1920 as of the class of 1899. General Wood presented the diplomas.

In 1920 Mitchell sent a flight of airplanes under Captain Streett from New York to Nome, Alaska, and back, one of the greatest flights ever made. It was hoped at that time that it would lead to the establishment of air bases in Alaska and that air lines would be extended to that territory. This has not been done up to the present time.

Upon General Mitchell's return from Europe in 1919, preparations were immediately made, on account of what he had observed there, for the attack of battleships from the air. In this he was ably assisted by General Williams, then Chief of Ordnance, who set to with a will to develop the bombs, fuzes, and methods of producing them. Colonel Guidoni, the Italian air attaché at that time, and one of the world's most able mathematicians, also rendered great assistance in estimating the trajectories, time of flight, and

penetration in the water when a bomb passed from a rarer to a denser medium. Guidoni later became head of the Italian Air Force and was killed in an accident. It is after him that Guidonia, the new air city of Italy, has been named.

The air units practiced actively in bombing. Targets representing ships were set up on land. Objects were bombed in the water, both stationary and towed at high speed by motor boats. A camera obscura was fixed up in a motor truck which was run at high speed along the roads, and the bombing was done against that, both going straight and turning. Nothing was overlooked that could be done with the equipment available. Mitchell attempted in every way to get target vessels from the Army and Navy without success.

Giving his testimony before Congress, Mitchell stated positively that he could sink any ship afloat with aircraft. The Army and Navy ridiculed this, but Congress passed an act authorizing the President to set aside certain vessels that had been surrendered from the German Fleet to be used for the purpose of bombing. The Navy then attempted to take charge of things. A written agreement was drawn up as to the procedure. The Navy made it just as difficult as possible, putting the vessels so far off the coast that they were almost outside the limits of the cruising ability of the aircraft. However, every class of ship was sunk—submarines, destroyers, cruisers, and two battleships. One of the battleships was the *Ostfriesland*, the strongest ship built up to that time, and probably as strong as any built since. The bomb that sunk the *Ostfriesland* was heard around the world and marked a new epoch in national defense.

The Board observing the bombing tests, under the chairmanship of General Pershing, reached the following conclusion:

Aircraft carrying high-capacity high-explosive bombs of sufficient size have adequate offensive power to sink or seriously damage any naval vessel at present constructed, provided such projectiles can be placed in the water close alongside the vessel. Furthermore, it will be difficult, if not impossible, to build any type of vessel of sufficient strength to withstand the destructive force that can be obtained with the largest bombs that airplanes may be able to carry from shore bases or sheltered harbors.

At the conclusion of these exercises, there was tremendous agitation on the part of the Navy particularly, to keep the air force down. Mitchell's appearances before Congress had resulted in the absolute truth being told them, without any reservation or evasion. Attempts were made to suppress aviation as much as possible. The profiteers who had been run to cover after their disgraceful exhibition during the war took an active part in this because they saw another chance to obtain active control.

After the bombardment exercises, Mitchell and his personal staff visited England, France, Italy, and Germany, going over everything that was thought important in connection with air matters. In Germany the war operations were checked up carefully, to see where the reports of operations, engagements, and battles differed. A remarkable similarity in reports was discovered, even down to individual battles of pilots.

Upon his return from Europe, General Mitchell determined to gain all the airplane records in the world. Steps had already been taken in that direction. During 1922, the world's speed record was made in the United States by General Mitchell, and practically all other records taken, for distance, altitude, carrying capacity, and so on.

Mitchell always tried out every new ship himself before turning it over to the pilots under him, which is unique in the history of any air service.

In spite of the law that provided that air units should be commanded by flying officers, nonfliers were constantly being put over General Mitchell. To evade this law, a non-flier was taken up in the air by another pilot, flown around and then made a pilot, one of the most flagrant violations of law that ever occurred. Seeing the course that matters were taking, Mitchell desired to be relieved from his duties in charge of aviation, but Mayhew Wainwright, then Assistant Secretary of War, who had flown a great deal with Mitchell, persuaded him to stay in.



In the autumn of 1923, Mitchell was sent on an inspection trip to our Pacific possessions and the other Asiatic countries which border on that ocean. In the Hawaiian Archipelago, all the inhabited islands were visited and a complete plan of air defense for the whole group worked out which showed the importance particularly of Midway, Wake, and Guam Islands, the Aleutian Islands, and Alaska. Mitchell reported the existing plan of defense to be entirely inadequate to protect the islands. There was no cooperation between the Army and Navy; the commanding general and the admiral commanding the navy yard would not speak to each other or attend the same social functions. There was no adequate plan for the use of air forces. Mitchell's report of the deplorable conditions there caused bitterness on the part of the commanding general but also a betterment of the plan of defense.

Mitchell then proceeded to the Philippines and went over their problem in a similar manner. While there he took General Aguinaldo up in the air, over the same battlefields where they had fought each other 24 years before.

From the Philippines he went to Java, looking over the Dutch air forces and military establishment, then to the Straits Settlements, Burma, and India, where he observed their military arrangements. From India he went to Siam, inspected their air forces and recommended that they send officers to the United States for instruction, which was done; then up to China, inspecting air forces and ground troops. After this he went to Manchuria, where his old friend, Marshal Chang Tso Lin was acting as dictator. He was assembling a group of airplanes and building large arsenals near Mukden. At these places General Mitchell flew the airplanes of the different air forces. At Harbin he learned a good deal about the Russians and the Amur River country up to Lake Baikal. He returned to the United States via Korea and Japan, reaching this country in the early summer of 1924, where he rendered a report on military conditions in the Far East and the defense of our possessions. The recommendations are just beginning to be put into effect, 11 years later.

In 1923-24, the round-the-world flight took place that Mitchell had projected. This was the end of our great peacetime flying endeavors. A flight had been planned for the following year from North America to South America, then over the Antarctic continent, where the flight was to split into equal parts, one half turning right and flying across the South Pacific to Australia, and the other half across the South Atlantic to Africa. This has never been done. It was also projected to fly over the Pole with an airship. Mitchell tried strenuously to obtain an airship to make into an airplane carrier. Arrangements were made with the Zeppelin Co. to finish a ship and turn it over to the Army Air Service. It was approved by General March, then Chief of Staff, and all the arrangements made. An officer, Major Hensley, was sent to Germany to command it. Even the gasoline had been ordered for the trip to America. Suddenly everything was stopped, largely at the behest of the Navy. Two or three years elapsed before an airship was obtained from Germany, which is now called the *Los Angeles*. No suitable airship airplane carriers have ever been made by the Navy, and they have made a terrible fiasco with their whole lighter-than-air development. A single airship properly equipped as an airplane carrier, with 20 or 30 airplanes aboard, can easily be constructed at comparatively small expense, and can sink a whole fleet of surface vessels, or fly around the world on one charge of fuel and attack vital centers in Asia, Europe, or anywhere.

The Air Service was going ahead so fast under Mitchell's direction that repressive measures were increased constantly by the War and Navy Departments. Increasing incompetence was manifest in the personnel put in charge of various activities. Instead of making specialization a part of our national policy in aviation, Army officers with very slight aviation training and no war experience whatever were constantly put in charge of important projects. The wonderful experimental program developed after years of hard work was scrapped and the activities and development turned over to mediocre civilian profiteers or service politicians. The

best pilots in this country, men who can never be replaced, were killed because the War Department would not sanction the procurement of entirely new equipment which Mitchell advocated. This condition grew intolerable. Congress was told very frankly by General Mitchell about what was happening. Every statement made to Congress by Mitchell from the time he first appeared before it can be substantiated in every respect.

Mitchell was now the ranking flying officer in the United States Air Service, in either Army or Navy, and had seen more of war than anybody in the Service, had commanded the greatest air forces in the world, and had pushed technical development up to the point where the United States led the world with its aircraft. In spite of these things and because of the desire of the Army and Navy to keep aviation subservient to them—whereas it had been made coequal with them in every other country in the world—Mitchell was relieved from his position as general officer, made a colonel and sent to an unimportant command in Texas, with greatly curtailed duties. The nonfliers then began to have a Roman holiday, which ended up in terrible accidents, with the Navy attempting to send seaplanes from California to Hawaii without sufficient gas to get there, sending the airship *Shenandoah* across the mountains with no adequate ground organization or weather system to look after her and over the protest of her able commander, Commander Lansdowne.

General Mitchell had had quite a bad crash in a poorly constructed airplane a few days before the loss of the *Shenandoah*. Asked by reporters of leading journals of the country to make a statement as to the cause of these accidents, he did so in San Antonio, Tex., in the fall of 1925. Every word he said was true and proven so. However, as this was considered contrary to good order and military discipline, Mitchell was tried by court martial. Testimony before the court showed that every statement he made was true. Such a condition never should have been allowed to exist in the United States service. As there was nobody of Mitchell's rank in the flying services, he was tried by nonflying officers and convicted and sentenced to 5 years' suspension from rank and all pay and allowances. This sentence was probably illegal, and it was commuted to half pay during that period.

Word was sent in a roundabout way from the President to Mitchell that if he kept quiet for 6 months, the sentence would be remitted and he would be put back to his old position, if he would do everything he was told. Mitchell considered this one of the most disgraceful messages ever sent from a man in authority to another. On February 1, 1926, Mitchell resigned from the service after nearly 28 years with the colors. In 2 years more he would have been eligible for retirement.

In 1927 Mitchell went to Europe and visited England, France, Italy, and Germany, studying their military systems and air forces, noting the changes they had made since the war. He flew from Germany into Russia and saw their troops and air forces. His acquaintance with officers of all these countries, formed during and just after the war, stood him in good stead.

Since his resignation, Mitchell has lived on his farm at Middleburg, Va., where the treatment of the soil, the crops, the raising of cattle, hogs, and horses are carefully carried on. He has kept up his studies of national defense all over the world and aeronautics in particular, has travelled extensively and written a great deal on these subjects. He has never made any money out of aviation where pickings were easy and millions could have been made in a quasi-dishonest manner on the stock exchange. Mitchell has continued to assist those in the services to better aviation, and has given his testimony, advice, and counsel freely to Congress, both in the House of Representatives and the Senate. On account of his service in the Army, his organization, development, and handling of aviation from the beginning, and his study of naval operations and the attack of naval vessels, he is as conversant with the three branches of the service as anyone in the world. He has considered it his duty to the Nation to give his knowledge gained all over the world on these subjects.



# RETRENCHMENT, RETROGRESSION, AND RUIN—THE THREE R'S OF ECONOMIZED EDUCATION

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes on the subject of Federal aid to education.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LUNDEEN. Mr. Speaker, the economy ax is cutting away the foundations of the American school system. This is the eve of the 1935-36 school year. How many bells will fail to ring this fall? How many doors will never open? How many thousands of American children will be denied the bare essentials of education and be handicapped for years to come?

Last year the joy of vacation vanished from the hearts of thousands of children. They waited day after day for the little school bell to ring and learned at last that it was to remain silent. Over 3,000,000 American children in 25 States either had no school at all or had their school terms shortened from 1 to 8 months, and this is only a partial survey of a situation that exists in every part of the country. What little education these children receive is through missionary work of unpaid teachers. (Circular 138, March 1935, United States Office of Education.)

## TWO HUNDRED THOUSAND TEACHERS UNEMPLOYED—SALARIES OF OTHERS NOT PAID

Fourteen thousand more schools in 21 States would have been forced to close during the 1934-35 school term if teachers' salaries were required to be paid in cash. (National Education Association, Current Data on Closed Schools, Apr. 30, 1935.) For months the teachers of Chicago carried on heroically with no salary at all, until a loan from the R. F. C. at Washington paid them around \$22,300,000. There are today 200,000 certified teachers unemployed. Yet the size of each class per teacher is increased, education curtailed, and qualified teachers thrown in the bread line.

### SCHOOL BUILDINGS OF CIVIL WAR PERIOD STILL IN USE

Over 5,000 condemned school buildings are in use in 18 States. Thousands more should be condemned. Over a million three hundred thousand children are housed several months of the year in unsafe or unsanitary school buildings. About 600,000 pupils are attending school part time because of inadequate housing facilities. A total of approximately 2,700,000 pupils are improperly housed during their school hours. Eight percent of our school buildings date back to the Civil War period, and 34 percent were built between 1870 and 1899. (The Nation's School Building Needs, N. E. A., January 1935.)

### ANTIQUATED BUILDINGS AND OBSOLETE STUDIES

In these antiquated buildings the citizens of tomorrow are being taught courses equally as antiquated. Some of the most valuable courses have been removed from the curricula. Physical and mental health of the Nation's youth have been placed in jeopardy. Adult education and kindergarten work have been greatly reduced or eliminated. There has been a woeful lack of funds for the purchase of new texts, and a large percentage of our 30,000,000 children today are being taught old platitudes and axioms out of keeping with the modern world. Educators have done the best they could to cope with a deplorable condition brought about by lack of funds.

### SPARE THE DOLLAR AND SPOIL THE SCHOOL

This is the situation facing America's most cherished institution, the school. What is the solution to be? What are great civic and patriotic organizations doing to save our schools? Is the powerful press arousing the country to action? I know of no great mass meetings called by chambers of commerce to halt retrenchment in our schools. If there have been such meetings, their sponsors are to be commended. I see no national organized campaign of the public press to obtain Federal aid for schools, while billions are appropriated for armies and navies and battleships to meddle and muddle on continents across the sea.

## ORGANIZED RETRENCHMENT CAMPAIGN

Captains of industry and finance have refused to join in a Nation-wide patriotic appeal to save the American school. Instead they have conducted a vicious, organized campaign of destruction. With banners bearing the slogan "Economy" they march forth to battle against teachers, education, and the Nation's youth. They are the rich, and they do not want to pay.

Often the sponsors and even the motives of their campaigns cannot be traced. They masquerade behind a patriotic guise of economy in government. Question them as to the meaning of their plea for retrenchment, and they deny having made such a plea. They pass the responsibility to some unknown source. The insidious campaign of destruction goes on relentlessly. A short-sighted, un-American so-called "solution" is advocated; the three R's of economized education—retrenchment, retrogression, and that means ruin.

Either certain suggestions for retrenchment were actually recommended by the United States Chamber of Commerce or that organization merely disseminated the ideas furnished by someone else. The effect is the same. The suggestions were made by someone and broadcast Nation-wide through the medium of the United States Chamber of Commerce. Many different methods of retrenchment were advocated.

### ELEVEN CRIMES AGAINST THE NATION'S YOUTH

- First. Shorten the school day an hour.
- Second. Increase the size of classes.
- Third. Increase teaching hours.
- Fourth. Suspend all increases of salary.
- Fifth. Reduce salaries.
- Sixth. Shorten the school year.
- Seventh. Discontinue evening classes.
- Eighth. Discontinue kindergartens.
- Ninth. Reduce elementary school by 1 year.
- Tenth. Reduce the high school from 4 to 3 years.
- Eleventh. Charge tuition for high-school students.

(Jerome Davis, Capitalism and Its Culture, 1935.)

These 11 crimes against the schools indicate a woeful lack of social vision on the part of powerful minority interests. It is difficult to determine which is the worst crime against education and the schools. The so-called "frills and fads" of education which these interests wish to subject to the economy guillotine include music, art, home economics, foreign languages, physical education, health, agriculture, commercial courses, and industrial arts.

The organized campaign for retrenchment has been a success from the point of view of its sponsors.

### HEROIC SACRIFICES MADE BY TEACHERS

Teachers themselves were sought out as the first victims of the economy ax. They have met the onslaught of privileged interests with heroic self-denial and courage. Month after month they toiled under the most severe economic conditions, giving their best energies to the youth of this Nation without pay and with no thought of reward. They have been patriots in the highest and finest sense, fighting with a solid front against the only enemy of America not yet defeated: entrenched wealth. Teachers need take no oath of loyalty to prove their patriotism. By their own examples they have furnished object lessons in loyalty the Nation over. I take off my hat to the teachers of America, and if I have anything to say about it they will have their reward. No finer, no more self-sacrificing corps of citizens can be found in any other phase of our national life.

### TEACHERS' SALARIES CUT

The average of salaries paid to teachers, principals, and supervisors in the public schools has decreased steadily since 1931, until this year, when there was a small increase. Today the average salary is scarcely \$100 per month, and this average includes principals and superintendents. (See appendix A for chart.)

The average salary is \$1,226 a year. This means that approximately half of our teachers receive less than that amount. Reports from 27 States indicate that nearly 1 teacher in every 3 receives less than \$750; 1 in 16 receives less than \$450 per year. About 250,000 teachers, teaching



7,000,000 children, receive salaries less than the minimum wage for factory hands under the blanket N. R. A. code. This estimate does not include the cases where salaries are not paid because of lack of funds or where teachers are paid in heavily discounted warrants. It is in addition to these. (Major Trends in Public Education, Joint Commission on the Emergency in Education, Washington, D. C., October 1934.)

#### TEACHERS MAKE UP 3 PERCENT OF NATION'S WORKERS

This condition reflects directly upon the Government of the United States. Education accounts for over one-third of all public employees and more than 3 percent of all the Nation's workers. There are more teachers than there are carpenters, miners, machinists, bookkeepers, physicians, or lawyers. (Willard E. Givens, secretary N. E. A.; statement to President's Committee on Economic Security, Feb. 16, 1935.)

Why not make the teaching career attractive to men and women of highest caliber? The future progress of the Nation rests largely in their hands. (See appendix A for tables of salaries.)

At one time a total of about \$57,000,000 was owing to teachers for back salaries. The huge debt owed to teachers of Chicago at the time a loan was obtained from the R. F. C. for payment of teachers' salaries is a matter of history. The latest information I have received indicates that about 14,455 more schools in 21 States would have been forced to close last winter if teachers' salaries were required to be paid in cash. (See appendix B.)

This information is the result of telegrams sent by the National Education Association on March 25 and April 25, 1935, to State superintendents of public instruction.

#### WHY UNEMPLOYMENT AMONG TEACHERS

Two hundred thousand certified teachers are unemployed, according to the United States Office of Education. Yet there is no overproduction in the field. There is no lack of students who wish to be educated. Then, why is there unemployment among teachers? Retrenchments have caused an artificial decrease in the number of students in summer school and extension study. The organized effort to increase the number of pupils per teacher has been detrimental to both pupils and teachers. Certainly, any plan of economic security should include the teaching profession.

#### SHORTENING OF SCHOOL TERM

The effects of other forms of economy have been more serious to pupils than to teachers. The school term has been shortened. The deficiency in the number of months for school terms ranges all the way from no school at all in 467 districts in 8 States, to 8 months or less in 31,672 districts in 24 States. In 25 States a total of 57,090 pupils were affected by the closing of schools in the 1934-35 term, and a total of 3,372,830 by closed schools and terms shortened all the way from 1 to 8 months. Emergencies also exist in other States which have not reported to the United States Office of Education. (See appendixes C, D, and E.)

#### INCREASE IN SIZE OF CLASSES

The average yearly increase in the number of pupils per year in elementary and high-school enrollment is 200,000. The increase comes largely in the high schools. With no corresponding increase in the number of teachers, the average size of the class is increased. (See appendix F.) While the average ratio is 30.96 pupils per teacher, classes of 45 are common in city schools. The average appears to be lower than it really is for the reason that principals and supervisors are included in the term "teacher." In classes of this size much attention must be paid to discipline; in fact, some educators say that the matter of discipline completely overshadows the subjects taught in classes of this size.

#### OUTWORN SCHOOL EQUIPMENT

A school building, like a home, cannot fulfill its obligation to the child unless it is clean and safe. The beauty and artistic appeal of a school will impart a sense of these qualities to the pupil. The stopping of school-building construction since 1930 has played its part in making the building

trades the hardest hit of all branches of labor. School expenditures for capital outlay were relatively small in 1918 and 1920, amounting in 1920 to around \$150,000,000. From 1924 to 1930 they ranged from \$375,000,000 to \$400,000,000 per year. Since 1930 building activity has been abruptly checked, and the capital outlay for 1934 is estimated at \$101,468,000, which is less than the expenditure for 1918. At the same time the number of pupils continued to increase at the rate of 200,000 per year. (The Nation's School Buildings Needs, N. E. A., January 1935.)

#### CONDEMNED SCHOOL BUILDINGS STILL IN USE

The need for school-building construction is obvious. There are 5,045 school buildings in 18 States which have been condemned by duly constituted authorities and still are in use. This is 5 percent of the school buildings now in use in that area. The number of buildings not condemned but which should be condemned cannot be estimated. These structures are certainly a menace to health and safety. It is estimated that 687,611 children are attending school in unsafe or unsanitary buildings in 17 States and 95 cities in other States. (See appendixes G and H.)

#### PART-TIME ATTENDANCE BECAUSE OF INADEQUATE HOUSING

In 20 States, and 108 cities in other States, 391,748 pupils are attending school part time because of inadequate housing facilities. The estimate is that 288,287 pupils in cities over 100,000 and 53,308 pupils in cities from 30,000 to 100,000 can attend school only part time because of insufficient school housing. (See appendix I.)

#### TEMPORARY BUILDINGS

The large number of pupils housed in portable, rented, and other temporary structures furnishes further evidence of a need for school-building construction. It is estimated that 618,068 pupils in 23 States, and 82 cities in other States, are housed in temporary buildings of this kind. (See appendix J.)

Adding together the number of pupils housed in condemned buildings, attending part time because of inadequate facilities, and housed in temporary structures, we have a total of 1,697,427 pupils in less than half the States plus about half of the cities over 30,000 in population in States otherwise omitted. On this average nearly 2,700,000 pupils in this country are improperly housed.

#### ANCIENT BUILDINGS STILL IN USE

A survey based on reports from nine States and the District of Columbia shows that about 8 percent of the school buildings in these States date back to the Civil War period; 34 percent were built between 1870 and 1899; only 5 percent were built since 1930. (See appendix K for details.) Expenditures for school and library buildings in 1933 were only 5.5 percent of the total expenditures for nonresidential building. (United States Department of Labor, Bureau of Labor Statistics, Building Permits in the Principal Cities of the United States, annual summaries 1921 to 1933.) Certainly there is a definite need for school-building construction.

#### ELIMINATION OF COURSES AND OTHER SCHOOL SERVICES

As a result of the campaign to eliminate "frills and fads" of education, some of the most valuable courses and other important school services have been removed from the schools. Deep resentment and a realization on the part of the American people that such subjects as health, Americanization, physical education, and many others are necessary, played a part in bringing about a partial restoration of these courses. (See appendix L for details.)

#### SCHOOL EXPENDITURES DECREASED PER CHILD

Enrollments in the public schools have increased about 200,000 children per year. Yet there has been for the past 4 years a steady decline in the total school expenditures. We have apparently reached bottom, and the cost per child enrolled for 1934 is estimated at \$68.47 over \$67.33 for 1933. At this rate it will take 25 years for our schools to climb back to the position they held 5 years ago. There was a slight increase of about 2 percent per year from 1926 to 1930 in



school expenditures, accompanied by a steady increase of 200,000 pupils per year. The cost per enrolled child was \$90.22 in 1930 compared with \$68.47 in 1934.

The greatest enrollment increases are in high schools, the most expensive part of the public-school system. This complicates the situation. The cost per child of an adequate education must increase with increased enrollments in high school. (See Appendix M for comparison of expenditures with total enrollment.)

#### FEDERAL GOVERNMENT ECONOMIZES ON EDUCATION

Along with supporters of the plan for retrenchment in the schools, the Federal Government also is guilty in some ways of economizing on education.

On March 20, 1933, the President signed the act to maintain the credit of the United States Government. Ostensibly it was for the purpose of eliminating wasteful expenditures, but actually it resulted in the crippling of valuable Government services as well as great hardship among veterans and Federal employees. You cannot cut off millions of dollars from the regular, useful appropriations of research and educational agencies of the Government without curtailing valuable services, denying the people the benefits of these services. I knew this, and I voted against the vicious Economy Act. Since that time many instances of the crippling of valuable Government educational projects have come to my attention.

#### EDUCATIONAL SERVICES OF COMMERCE DEPARTMENT CRIPPLED

In the Department of Commerce reductions in scientific research and experimentation activities were made in many fields. There was a curtailment of funds for conducting health investigations and other research work which tends to promote the health of miners. There were curtailments in the Bureau of Standards for testing and research work, in the aeronautics branch for engine testing, studies on radiobeacon, and other research work, in the Bureau of Fisheries for studies on the preservation of fish.

#### DISMISSAL OF OUTSTANDING RESEARCH STUDENTS

In the Department of the Interior the full-time staff of the Bureau of Geologic Survey was reduced by the retirement of three outstanding geologists and a scientific aid, and two clerks were separated from the service. The force of field assistants was greatly reduced, and funds for fundamental research were completely eliminated. Secretary of the Interior Harold L. Ickes made an official statement that the undertaking of new investigations or research projects virtually ceased, and the number of geologic field parties was reduced from 55 in the fiscal year 1932 to 25 in the fiscal year 1933. He also states that much work contributory to the discovery and development of Alaskan mineral resources has been discontinued.

#### OFFICE OF EDUCATION HARD HIT

In the Office of Education itself—Department of the Interior—seven persons were eliminated, including specialists who were conducting research in four different fields of education—home economics, physical education, elementary curriculum construction, and education of physically handicapped children. Many other activities of a service character were included in the curtailments; library reference work, scientific illustrating for publications, and translation of foreign education materials. In order to keep within the Budget for the next year it is necessary to make still further curtailments.

Many research agencies of the Department of Agriculture were also curtailed. The Agricultural Experiment Stations, the Weather Bureau, the Forest Service, Bureau of Biological Survey, and other valuable research agencies were forced to bow to the economy ax.

Full details concerning the curtailment of these may educational services of the Government may be found in Senate Document No. 77, Seventy-third Congress, first session—Department of Commerce curtailment—and Senate Documents 102—Department of the Interior curtailment—and 105—Department of Agriculture curtailment—Seventy-third Congress, second session.

#### THE INTELLIGENT POINT OF VIEW

These are examples of the short-sighted solution advocated by false economy experts and champions of big business. The inevitable end of the path they have laid out for us appears on the horizon. Let us keep before us these words of warning: Retrenchment, retrogression, ruin. Ruin is the inevitable end, and ruin of our educational system is social suicide. False economy in education results either from a shallow analysis of the whole problem or a selfish intent to destroy. What does the intelligent, public-spirited citizen see in this campaign against education?

#### NO PROGRESS WITHOUT RESEARCH

Industrial and financial leaders who led the campaign for the cruel Economy Act in 1933 and crippled valuable governmental research and educational agencies are well aware of the value of research. Private industry well realizes its value. In private industry bounties are offered for new discoveries and funds invested in research are considered the means of true, lasting economy. For 30 years industrial research laboratories have made steady progress until today they are indispensable to any large manufacturing organization. W. D. Coolidge, director of the research laboratory of General Electric, said:

Our civilization is an engineering civilization which could endure scarcely a day if all the products of engineering were suddenly swept away, and it is science which serves as the basis of engineering \* \* \* the cloistered scientist, however remote from the marts of trade and however innocent of the least thought tinged with utilitarianism, is perhaps all unknown to him preparing the way for some new appliance perhaps that will bring new industries into being.

Oh, yes, big business recognizes the value of research for profit, but it fights for a law that denies the benefits of Government research to the people. How does the intelligent person analyze this method of reasoning? It occurs to the intelligent person that the laboratories of great industries belong to the captains of industry and operate for their benefit. The secrets they uncover can be utilized if they create profit or kept hidden if they do not. Research by the National Government, on the other hand, is conducted for all the people. Research is the very foundation of intelligent education and planning in any field, and big business well knows that intelligent national planning may place its huge selfish profits in jeopardy.

We permit these valuable services of the Government to be discontinued; we display a woeful lack of social vision that is comparable to the short-sightedness of privileged interests who denounce the teaching of health, physical education, and home economics as unnecessary frills and fads.

#### THE IMPORTANCE OF EDUCATION

The intelligent person realizes the importance of education, and the dangers of its neglect. Soon we shall have played our part in the history of this Nation. We shall have debated, legislated, and passed on. The present is for us to determine, and we are none too well equipped for the task. The future lies in the hands of those who are to follow us. In our zeal for improving present conditions, we must not overlook the importance of equipping those who are to succeed us with the information necessary to solve problems even more bewildering than those before us today. Funds for the building of a battleship or the construction of a road can be furnished this year or next; but for the education of a child it is now or never. Education is not something that can be dropped out of the national program temporarily and continued a few years later; denied today, it is forever lost.

Permit one school to close its doors and you run the risk of permanently handicapping thousands of children in generations to come. Upon the education of this generation depends much of the knowledge of the next, and the course of history may be radically changed by neglecting education in one generation. Education is our strongest ally in this struggle between progress and decay. Vacation no longer attracts the 57,000 children who were affected by closing of schools in 25 States last year. They know that without elementary schooling they can never enter high school or the university.



When a school is closed, each pupil's road to progress is blocked, and the cultural life of a community becomes stagnant.

#### RESULTS OF RETRENCHMENT—"HALF TRUTHS FOR 30,000,000"

The sponsors of the retrenchment program have not publicized the results of their program. "Half Truths for 30,000,000" is the startling title of an article by Cedric Fowler in the New Outlook for November 1933. This article shows the tragedy of retrenchment. Education in keeping with modern times cannot be taught successfully by just any teacher at any salary. History today is more than a glorification of war heroes and a series of dates. Geography is more than capitals and States.

The imaginary heroes of the arithmetic problems invariably save from one-half to one-third of their income—which is a direct defiance of the "buy now" program. Their hours of work are a flagrant violation of the most conservative industrial code. Children \* \* \* are asked to "play" at investing \$10,000 in stocks and bonds, which pay interest at the rate of 6, 7, and 8 percent. An arithmetic investment, it appears, never passes its dividend. One nationally used textbook goes so far as to give financial advice to the prospective bondholder, remarking that a city bond is the safest form of investment.

The philosophy of the elementary speller is even more quaint. Word and sentence examples preach a doctrine in the outworn tone of Poor Richard. "Some temptations come to the industrious, all temptations come to the idle" is a statement that puts unemployment in the category of a sin. "If you want to succeed, save" is a doctrine that is rapidly becoming antisocial, but our spellers repeat it ad nauseam. "There is always room at the top" is surely an exploded notion, but children are required solemnly to copy it from teacher's dictation. Unremitting toil and self-denial are the basic notes. Recreation, our latest national need, is frowned upon. The child who is incautious enough to take his speller's message seriously will find himself lamentably out of place in the modern world.

The theory that Germany was solely responsible for the World War is still taught, false and untrue though it is. Labor problems and labor legislation are sadly neglected.

New truths must be substituted for the half-truths which still persist in many schools today. Instead, the privileged interests who sponsor education-economy programs wish to substitute for these new truths the fourth R, retrenchment, the deadly enemy of learning and progress.

#### EDUCATION AND CRIME

Indications are that the average education of criminals in prisons is lower than for the average general population. For an average of 67.5 percent of the prisoners, compared with 61.1 percent of the general population, the elementary school was the last school attended. For 15.4 percent of the prisoners, compared with 25.1 percent of the general population, high school was the last school attended. For 3.4 percent of the prisoners, compared with 6.7 percent of the general population, college was the last school attended. (N. E. A. Research Division, September 1932, Crime Prevention Through Education, based on table 11 in The Prisoners' Antecedents.)

The significance of education as a method of crime prevention cannot be fully realized by comparing statistics of the past. A broader education than the three R's is necessary to prevent crime, and this broader education can be put into effect with the assistance of a central Government research and planning agency which can determine the minimum qualifications of a modern school. Children must be taught not only to read but to read the right books. They must not only learn to write, they must learn what to write. These more important phases of education will never be given proper consideration in a program of retrenchment. Expansion and improvement in the entire educational system, from the kindergarten through graduate college courses should be our aim for the immediate future.

#### THE COST OF EDUCATION AND CRIME

Can we afford such an expansion? It is less expensive than our war on crime. The per capita expenditure for maintaining a delinquent in a public institution is \$400 per year; it costs \$300 per year for each adult prisoner and something less than \$100 for each public-school pupil. If the school does not make a good citizen of a pupil with \$100

per year, we will have to pay three or four times as much later to correct the mistakes and omissions of a school operating on a retrenchment policy. (See Appendix N for detailed table on expenditures for crime and education.)

Education is of invaluable assistance in bringing about an orderly transition into changing economic and social patterns of life.

#### THE HIGH COST OF IGNORANCE

Ignorance will cost us more than the most visionary program of broadened education. A retrenched program of education, where only the three R's and cultures and histories of the past are taught, can serve the child only as an escape from a modern world that he does not understand.

We cannot declare a temporary moratorium on education pending business recovery. To do that would set us back from 25 to 50 years, and many educators warn that the continuation of the retrenchment policy will eventually destroy our Government altogether. If education is to serve a constructive purpose for the future, and not as an escape from the present, it must deal intelligently with modern problems. The cost of ignorance to democracy is destruction.

These are the dangers of economizing on education. We cannot afford the high cost of ignorance.

#### JEFFERSON ON EDUCATION

Contrast the short-sighted retrenchment policy with the views of Thomas Jefferson on education. In 1816 Thomas Jefferson wrote:

If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be. (Thomas Jefferson to Col. Charles Yancey, vol. X, p. 41, Writings of Thomas Jefferson, Paul Leicester Ford, 1899.)

Today a citizen of this Nation can be well versed in the three R's and still be ignorant. Unless we halt the policy of retrenchment and expand, millions of children who are today being taught half truths will be ignorant in the modern world when they play their part in government affairs.

Thomas Jefferson asked the question "Whether peace is best preserved by giving energy to the Government or information to the people?" and added that—

This last is the most certain and the most legitimate engine of government. Educate and inform the mass of the people. Enable them to see that it is to their interest to preserve peace and order, and they will preserve them. \* \* \* They are the only sure reliance for the preservation of our liberty. (Thomas Jefferson to James Madison, Dec. 20, 1787, p. 392, vol. VI, memorial edition, Writings of Thomas Jefferson.)

A broad, modern education for all will do more to preserve this Nation than the billions we have already spent on the last war and wars to come.

#### EDUCATION A VITAL NECESSITY TO THE LIFE OF A DEMOCRACY

Aristotle, writing of the necessary functions of a democracy, said:

No one will doubt that the legislator should direct his attention, above all, to the education of youth, for the neglect of education does harm to the constitution. For each government has a peculiar character which originally formed and which continues to preserve it. The character of democracy creates democracy. The character of oligarchy creates oligarchy. And always the better character, the better government. \* \* \* Education should be one and the same for all. The training in things which are of common interest should be the same for all (Aristotle, Essays on Politics, Book VIII).

This is another way of saying that to neglect education is to endanger the preservation of democracy. "The peculiar character" which originally formed our Government is found in the American ideal of true democracy and equality of opportunity. If we cannot have education one and the same for all, we must have at least minimum standards for all if our democracy is to survive.

#### VIEWS OF EDUCATORS

At my request, Dean E. P. Lyon, of the University of Minnesota, has sent me his ideas regarding educational aid to students of superior ability. There is no room in a retrenchment program for the encouragement of special ability. Genius is a national asset.



UNIVERSITY OF MINNESOTA,  
THE MEDICAL SCHOOL,  
Minneapolis, May 11, 1935.

HON. ERNEST LUNDEEN,  
Congress of the United States,  
House of Representatives, Washington, D. C.

DEAR MR. LUNDEEN: I thank you for the privilege of presenting my ideas regarding educational aid to be granted students of superior ability who otherwise would not be able to secure higher education. It is to be noted that this is quite distinct from the plan of your bill to aid all pupils in primary and secondary schools, which fills a worthy but different need.

I may say that I have been much impressed of the need in this direction by such facts as these: (1) Several students of superior ability who were selected for this medical school this year were unable to accept on account of lack of finances. Their places were filled by markedly inferior men who met the minimum requirements and happened to be able to meet the bills for tuition and maintenance. This must mean, through the years, a poorer average standard of medical men than would be available if a strict ability basis could be used in filling our student body. (2) In other countries scholarships available on a competitive basis have been the means of education of some of their leading men, who have thus been able to rise from the lower walks of life. I have in mind such distinguished scholars as Professor Barker, of Oxford University. (3) In Copenhagen I was told that Thorwaldsen, the great sculptor, was enabled to overcome the handicap of poverty-stricken origin by means of such state aid or "prize."

My plan, then, envisages a vigorous search for highly gifted individuals and the granting by competitive examination of substantial aid toward the development of such gifts, of whatever character they may be and wherever they may be found.

The standard high school is so generally available in this country that I do not think such scholarship aid need go beneath the college line. Perhaps those in charge should have discriminatory power in the case of the occasional gifted and isolated youngster who cannot attend high school. In general, however, I have in mind scholarships for college and professional study. I would include the arts quite as much as so-called "scholarly pursuits."

It is evident that any such plan would be ruined by favoritism, bureaucracy, or politics.

It seems to me that these evils could be avoided by setting up in each State of an unpaid committee composed of leading educators and functioning somewhat as the Rhodes scholarship district committees and the National Research Council now do. Such commissions should be empowered to hold examinations, both written and oral, to make decisions as to grants on the basis of financial need, to decide in conference with candidates in what institutions \* \* \* the scholarships should be used, to decide what sums should be devoted to the education of particular individuals and how long such aid should be continued. In other words, such commission should have full authority over the expenditure of sums allotted to their several States, subject only to a restriction of report to appropriate Federal authority, say, the Department of Education.

I would propose that such aids to education be designated "national scholarships" and the recipients be designated as "national scholars." I should think the grants might be to the several States on the basis of population or on the basis of population of college age.

As to the sum of money which might be devoted to such a program, I should say distinctly that for the purpose of finding and developing talent which otherwise would be lost, this country could afford at least as much as is used at Annapolis and West Point in the training of youth for war.

I have held your letter of April 19 until I could talk the matter over with colleagues and get any data they might have. A helpful letter from Dean Johnston is enclosed.

Very sincerely yours,

E. P. LYON, Dean.

Dean J. B. Johnston, of the University of Minnesota, is another leading educator in our State. He has more to say with reference to the development of special talents.

UNIVERSITY OF MINNESOTA,  
COLLEGE OF SCIENCE, LITERATURE, AND THE ARTS,  
Minneapolis, May 7, 1935.

Dean E. P. LYON,  
136 Medical Science Building.

MY DEAR DEAN LYON: On the subject discussed in your letter to Mr. LUNDEEN, I think of the following suggestions:

1. Some inquiries that I made a few years ago showed that a very considerable number of high-school graduates of the very highest standing did not go to college anywhere. Of those who failed to go to college, five-sixths were prevented by lack of money. Rough estimates based on my returns seem to show that these pupils of the very highest rank who could not go to college may number 300 or more in this State each year.

2. I had a talk last week with Chancellor Lindley, of the University of Kansas, who has acted as an unofficial spokesman for the State universities in conferences with the Federal authorities on the use of F. E. R. A. funds for the support of college students who had no other form of financial support. Chancellor Lindley spoke with great emphasis and enthusiasm of the great returns to society to follow from the education of the "choice young people to be found in this group." I got the distinct impression that

Chancellor Lindley's ideas regarding the use of F. E. R. A. funds as he presented them to Mr. Harry Hopkins would be quite in keeping with the suggestions you have made to Mr. LUNDEEN.

3. In connection with the last sentence of your letter it occurs to me that it might be well to point out that the services to society secured through the development of the talent of the students in question would go far to offset the cost to society of the feeble-minded and delinquent classes on account of whom it is estimated that the State of Minnesota spends \$50,000,000 a year for care, crime, courts, and penal institutions.

Sincerely yours,

J. B. JOHNSTON, Dean.

#### THE FUTURE OF EDUCATION IN AMERICA

The views of Dean Lyon and Dean Johnston are similar to the views held by Thomas Jefferson in his day:

By that part of our plan which prescribes the selection of youths of genius from among the classes of the poor, we hope to avail the state of those talents which nature has sown as liberally among the poor as the rich, but which perish without use if not sought for and cultivated. (Memorial Edition, Writings of Thomas Jefferson, vol. II, p. 206, Notes on Virginia.)

There are unlimited possibilities of education and a cultured life in America resulting from a program of research and future planning. The menace to society arising from improper care of handicapped children can be greatly reduced. The superior or industrious child can be searched out, according to the policy of Thomas Jefferson, and given additional opportunities for study.

#### LABOR'S CONTRIBUTION TO THE SCHOOLS

Organized labor has always viewed the problem of education from a long-range intelligent perspective.

From the early days of American history the establishment and maintenance of free public schools has been an integral part of the labor movement. This is natural, since labor constitutes the great mass of American people who receive the benefits of free public education. Thomas Jefferson's early struggle for a public-school system was carried on for the benefit of labor. The minority of the population, not included in the labor group, could afford private schools and tutors. Jefferson knew that the education of those who work is the very foundation of lasting democracy, and labor unions from the first have recognized this truth.

The Mechanics' Union of Trade Associations, which arose out of a strike of Philadelphia carpenters for a 10-hour day, sent out a circular to candidates for office in Andrew Jackson's time, asking whether the candidate believed—

That an open school and competent teachers for every child from the lowest branch of an infant school to the lecture rooms of practical science, should be established, and those who superintend them to be chosen by the people. (Readings in the History of Education, no. 315, New York Free Enquirer, Oct. 7, 1829, quoted in Columbia University Teachers College Contributions to Education, no. 201, p. 10.)

In New York the labor movement paper, The Workingman's Advocate, in 1829 included in its prospectus the statement:

All children are entitled to equal education; all adults to equal property; all mankind to equal privileges. (Readings, p. 16.)

A workingmen's convention in Boston in 1833 appointed an education committee which recommended facilities for public education, lectures to adults on political economy, and a general system of education to be free to all and financed by the State.

#### LABOR CAMPAIGNED FOR FREE PUBLIC EDUCATION A HUNDRED YEARS AGO

In 1834 a national trades union covering the territory from Boston to Cincinnati included in its constitution provisions advocating the education of union members, the formation of committees to agitate for education, and an attempt to democratize the public-school systems.

From then on organized labor has advocated a broad general public education system; its efforts have by no means been confined to vocational education. During the first half of the nineteenth century labor organizations played a leading part in the campaign for free public schools, and it is a fact which cannot be denied that where illiteracy prevails among workers in some sections of America a lack of militant labor organization also exists. The workers in these sections have not been able to form economic organizations, and it follows that they have not been able to make a strong



demand for public education. The hope of labor for better opportunities in the future lies in the education of all the people.

#### HISTORY OF AMERICAN FEDERATION OF LABOR EDUCATION ACTIVITIES

The American Federation of Labor has compiled an official record of its struggle to bring knowledge to the masses—Education for All, 1929, A. F. of L., Washington, D. C. The record indicates that the A. F. of L. has from the date of its first convention in 1881 declared for legislation in the interest of improving and expanding free public education. The federation's declaration in first convention assembled stated:

We are in favor of the passage of such legislative enactments as will enforce, by compulsion, the education of children; that if the State has the right to exact certain compliance with its demands, then it is also the right of the State to educate its people to the proper understanding of such demands.

In 1894 the convention adopted a declaration stating:

Education should be the watchword of the labor movement, in order that the masses may fully realize the importance of unity of action, regardless of color, creed, or country. Compulsory education laws should be strictly enforced in every State in the Union, and where there is no such law efforts should be made to secure their enactment.

In every convention of the American Federation of Labor from 1918 through 1921 a plank was adopted stating:

Better enforcement of compulsory education laws and the universal establishment of a minimum school-leaving age of 16 years.

In 1917 the American Federation of Labor convention declared:

We believe the national crisis requires increased emphasis on the value of our schools and should lead to a coordinated, genuinely national and democratic system of education. Child-labor and school-attendance provisions should not be suspended.

#### LABOR ASKS PROTECTION OF YOUTH AGAINST WAR

In that same convention the federation expressed its disapproval of sending students to war.

Conditions also in higher education are not reassuring. Those on the point of graduation, the country may perhaps use now. But it is reported that in some colleges 80 percent of the students have been permitted to enlist. This enthusiasm is admirable, but in many lines of work an additional 2 years of training would double or treble a student's value to the Nation, even from a purely military point of view. May we not hope that this short-sighted waste of human ability will be checked? \* \* \* We declare for this principle: Educated manhood and womanhood is the Nation's greatest asset in both peace and war. And we must not sacrifice, even to an emergency, the increased national efficiency which can be attained only through organized educational training.

#### FREE TEXTBOOKS ADVOCATED

As early as 1911 the Federation of Labor recommended free textbooks in public schools, to be furnished at the expense of the State; and as early as 1903 the federation recommended that socially archaic textbooks be replaced with books which teach the dignity of manual labor, and "that will not teach the harmful doctrine that the wageworkers should be content with their lot, because of the opportunity that may be afforded a few of their number rising out of their class, instead of teaching that the wage earners should base their hopes upon the elevation of the conditions of the working people."

Reduction in the size of classes, adequate teachers' salaries, security of teachers' tenure, democracy in education, citizenship training, physical education, improvement in school buildings, night schools, continuation schools, industrial education, labor colleges—all have been advocated by the American Federation of Labor in convention assembled. The reiteration of these demands year after year played an effective part in the progress which has been made along these lines.

#### THE AMERICAN FEDERATION OF TEACHERS

The American Federation of Teachers, affiliated with the American Federation of Labor, is a militant, progressive body to which friends of education everywhere owe a debt of gratitude for its unceasing efforts on behalf of education.

This great organization is today cooperating to the fullest extent with friends of education in Washington who are working for national legislation of benefit to education and the schools.

#### SAVING THE SCHOOLS A NATIONAL PROBLEM

Education is indispensable to the life of a democracy. This alone makes the matter a national concern. There are many reasons why the National Government must accept its responsibility of saving the schools in this crisis. The dangers of an economized education are national. The mobility of population makes them particularly so. Moreover, it has been clearly demonstrated that the States cannot carry the burden of education. The estimates of funds needed fall far short of funds available for State taxation. State tax law limitations help to make it impossible for States to carry the burden. There is a great inequality among States in their ability to support an adequate educational system.

#### INEQUALITIES AMONG STATES

Wealth per child varied from \$23,581.44 in Nevada to \$3,008.37 in Mississippi. Income per child varied from \$2,063.61 in the District of Columbia to \$622.25 in Mississippi. (See appendixes O and P.) Generally speaking, the States which are least able to support their own school systems have the greatest percentage of children to the total population. School expenditures per child vary from \$188.17 in the District of Columbia to \$33.43 in South Carolina. (See appendix Q.) These comparisons are for the year 1932; practically the same variance between States exists today.

#### MOBILITY OF POPULATION

The United States Census Bureau has discovered that one person in every three resides in a different State from the one in which he was born and probably educated. Great shifting of population has come about with improvements in methods of transportation. One study indicates that in Dillon, Mont., 4 out of every 5 children enrolled in the first seven grades had moved away from Dillon within 20 years. Nearly 40 percent of these children were known to be living outside of Montana. Another study revealed that nearly two-thirds of the parents of Memphis, Tenn., school children were born outside of the State of Tennessee. (W. G. Carr, Federal Assistance in Equalizing Educational Opportunity, N. E. A., reprinted from the 1934-35 Debate Handbook.)

An indefinite number of similar studies lead to the same conclusion—that many half-educated children from South Carolina, Mississippi, and Alabama will have become citizens of Minnesota by the time they are old enough to vote. Retarded education in some States is a real menace to all. This has come about with the advent of shrinking space and time.

#### STATES CANNOT FINANCE SCHOOL SYSTEMS ALONE

Our public-school system depends for its support on local property taxes. This source of funds was far from adequate before the panic struck. When the crash came it emphasized the inability of the States to finance their schools from the property tax. The revenue from this source decreased for several reasons: Delinquent or unpaid taxes, decrease in taxable valuation resulting in lower returns from general property taxation, drought conditions, State and local property tax limitation laws, reduced valuations due to acquisition of property by the United States Government, limitations on the maximum current or bonded indebtedness. (See appendix R showing reasons for lack of funds.)

In some cases the United States Government is directly responsible for reduced property valuations. Property valuations have in many cases been reduced by acquisition of property by the United States Government. This occurs when the National Government becomes the owner of property formerly subject to State and local taxation.

#### SCHOOL INDEBTEDNESS MOUNTS

Let us analyze the cause of shrinking funds from local property tax. (See appendixes R and S.) The independent and city school districts of 12 States reported a total of \$4,330,998.73 current indebtedness on September 1, 1933. One year later, on September 1, 1934, the amount of current indebtedness had increased to \$4,738,894.77, or 9.4 percent. Districts in Alabama reported a 63.9-percent increase in current indebtedness; Virginia districts reported an increase of 60.1 percent from September 1933 to September 1934.



## LOSS OF SCHOOL RECEIPTS

From data furnished by independent and city school districts of 12 States reporting current debts and estimates of receipts for 1934-35, on September 1, 1934, the Office of Education determined that the current debt was 23.3 percent of the expected revenue. In one State—Tennessee—the current debt exceeded expected revenue. In these 12 States the districts involved not only had no funds on hand to pay for the rest of the school year, but also were in debt for current expenses already incurred. This means that teachers must be paid with paper having depreciated market value.

When there is a decrease in assessed valuations upon which local school-tax levies are made, decreased revenue results. Decreases ranged from 1 to 13 percent in those school districts without funds to pay for a normal school term. Faced with shrinking revenues from the local property tax, the States have tried to meet their responsibility by creating new sources of revenue for the schools and diverting existing taxes into school channels. Income taxes, sales taxes, and taxes on stocks and bonds have been inaugurated by many States, and some of the revenue from these sources has been turned over to the schools.

## SCHOOL FINANCING IN MINNESOTA

Minnesota has a permanent school fund which has grown from \$242,000 in 1862 to over \$69,000,000 in 1933. This fund accounted for more than one-fourth of all State revenues for schools in 1933. The local governments bear 75.3 percent of the school burden in Minnesota, the State 24.3 percent, and the Federal Government 0.4 percent. The earmarked taxes in Minnesota are different from earmarked school taxes in many other States. Instead of a sales tax, paid by the poor, Minnesota has endeavored to place the burden on wealth. The earmarked taxes are taxes on incomes, chain stores, and the severance of iron ore. There is also a general property tax which has been in effect since 1860. (See appendix T for additional information on Minnesota's financing system, and the systems of other States.)

## DEFICITS AGAIN EXPECTED

In spite of everything the States have tried to do for education, deficits are again expected. In Ohio there are approximately 735,000 pupils and 26,000 teachers in 109 city school districts that had to close short of a normal school term. Many States not shown in the table which I am placing in the appendix (appendix U) are facing similar emergencies in school finance, but have not sent specific reports to the United States Office of Education.

The tax-limitation laws passed during the last 3 years make it more difficult than ever for funds to be raised from State and local sources. The States of California, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, Rhode Island, Washington, and West Virginia have tax-limitation laws.

The revenue estimated for 1934-35 by superintendents in 44 States indicates that in 18 States less revenue was available for the 1934-35 term than was available the year before. In 11 States the revenue was expected to be the same, and in only 3 States was an increase expected. In the remaining 12 States a comparison was not made. (See Appendix V for actual amounts.)

## AMERICAN PRINCIPLE OF UNIVERSAL EDUCATION IS NATIONAL

The American school is a national institution. Whether the school is really our most cherished institution or whether that is only a fair-weather phrase depends upon what action the National Government takes to preserve the institution in this crisis and to insure its continued existence and expansion in the future. We need more than emergency measures. The States were unable to finance their educational systems even before the crisis came.

A number of permanent Federal-aid measures have been introduced in the House of Representatives during this session, the first session of the Seventy-fourth Congress. The Lundeen bill (H. R. 6360) for Federal aid to education on the basis of \$25 per pupil is a permanent measure.

## THE LUNDEEN FEDERAL AID TO EDUCATION BILL, H. R. 6360

A bill to provide for the operation and maintenance of adequate public-school facilities throughout the country

*Be it enacted, etc.,* That for the purpose of aiding in the operation and maintenance of adequate public-school facilities in each State, there is hereby authorized to be appropriated for each fiscal year, commencing with the fiscal year ending June 30, 1935, such sum as is necessary to carry out the provisions of this act. The sums made available under this section shall be used for making annual payments as hereinafter provided to public elementary and high schools in each State, in accordance with the attendance at such schools. Such payments shall be used by the schools only to pay expenses of operation and maintenance, including the payment of salaries of teachers and employees.

SEC. 2. The payment to each such school shall be computed as follows:

(a) If the aggregate number of days of attendance for all pupils enrolled in such school during the school year next preceding the year for which payment is to be made is the equivalent of 160 or more days of attendance for each enrolled pupil, then the payment shall be a sum equal to \$25 for each enrolled pupil; or

(b) If the aggregate number of days of attendance for all pupils enrolled in such school is less than the equivalent of 160 days of attendance for each enrolled pupil, the payment shall be an amount for each enrolled pupil bearing the same proportion to \$25 as the actual aggregate number of days of attendance during the school year for such school bears to the aggregate number of days of attendance computed on an assumed basis of 160 days of attendance for each enrolled pupil during the school year.

SEC. 3. The Secretary of the Treasury shall make payments under this act at the times and in the amounts certified to him by the Commissioner of Education in the Department of the Interior. The Commissioner shall compute the amounts of such payments on the basis of reports on attendance from the State boards of education and the schools entitled to benefits under this act. The computation made by such Commissioner shall be final and not subject to review by any other officer or agency of any State or of the United States.

SEC. 4. The Commissioner of Education is authorized and directed, subject to the approval of the Secretary of the Interior, to prescribe rules and regulations necessary and proper to carry out the provisions of this act. Nothing in this act shall be construed to authorize any agency of the Federal Government to participate in the selection of teachers or other employees of the schools, the making of curriculums, the publishing of texts, or in any way interfere with the administration of school affairs.

## OTHER EDUCATIONAL MEASURES BEFORE SEVENTY-FOURTH CONGRESS

There are many other educational measures before the Seventy-fourth Congress. I do not claim that my list is complete, and information regarding other measures will be welcome.

## THE LEE BILLS

Representative LEE, of Oklahoma, introduced a bill—H. R. 5923, referred to the Committee on Education—calling for the use of \$30,000,000 from any funds made available for Federal emergency relief purposes, to be used for keeping schools open for the remainder of this year. This bill would merely continue the restricted school-relief program which the Relief Administration has been carrying on this year in certain States. The sponsor of this bill realizes that \$30,000,000 is inadequate for meeting school needs for the remainder of the year, but he feels that there can be little justification for failure to make available this modest sum for school-relief purposes.

Representative LEE has introduced also a bill—H. R. 5719, referred to the Committee on Education—which would make available \$100,000,000 annually for the purpose of equalizing educational opportunities in the several States. Under this bill the United States Commissioner of Education is authorized to apportion this sum to the several States and Territories on the basis of their ability to support education and their educational needs. The bill provides that—

In determining ability to support education and educational needs, said Commissioner shall take into account the financial ability, ratio of children to adults, sparsity of population, and other appropriate standards for measuring ability to support education and educational needs of the several States and Territories.

## THE FORD BILL

Representative FORD, of Mississippi, introduced a bill—H. R. 6370, referred to the Committee on Education—for the purpose of establishing "a permanent policy of financial cooperation by the Federal Government with the several States and Territories in promotion of the benefits of public education, and for other purposes." Under this bill the United States Commissioner of Education would distribute



\$2 per annum for each person 6 to 17 years of age, inclusive, as shown by the most recent Federal census, and would apply the remainder of the appropriation of \$100,000,000 to equalizing educational opportunities after taking into consideration the following factors: (1) The educational needs of the respective States as shown by sparsity of population, and by the application of appropriate standards for the maintenance and further improvement of the systems of public education in the respective States, and (2) the economic ability of the respective States as indicated by the ratio of adults to children and by appropriate measures of the financial resources of the respective States.

#### THE DOXEY BILL

Representative DOXEY, of Mississippi, introduced a bill—H. R. 5697, referred to the Committee on Agriculture—which provides that the Emergency Farm Mortgage Act of 1933 be amended so that the Reconstruction Finance Corporation may make loans to school districts in an aggregate amount not to exceed \$100,000,000. These loans would be made for the purpose of refinancing outstanding indebtedness.

#### THE BURNHAM BILL

Representative FORD, of Mississippi, and Representative BURNHAM, of California, have introduced bills—H. R. 6227 and H. R. 5694, referred to the Committee on Banking and Currency—which provide for the refinancing of indebtedness of taxing units, including school districts, through the use of funds of the R. F. C.

#### THE WALSH BILL

Senator WALSH, of Massachusetts, introduced a bill (S. 1834, referred to the Senate Committee on Banking and Currency) under which the R. F. C. would be authorized to make loans to publicly and privately controlled colleges, universities, and other institutions of higher learning. This bill is substantially the same as the Guyer bill (H. R. 4990).

#### THE SAUTHOFF BILL

School-building construction: Representative SAUTHOFF, of Wisconsin, introduced a bill—H. R. 6201, referred to the Committee on Education—which would authorize appropriations for "(1) the sum of \$400,000,000 for allotment and expenditure under the direction of the Federal Emergency Administrator of Public Works in the construction, establishment, and furnishing of public-school buildings, and the procurement of supplies for public schools, in cases where the economic emergency has made it impossible to provide adequate school-building facilities, and (2) the sum of \$100,000,000 for allotment and expenditure under the direction of the Federal Emergency Relief Administrator for the payment of arrears of public-school teachers' salaries in cases where such arrears have arisen before the passage of this act, and where the economic emergency has brought about financial inability to pay such salaries in full."

#### THE BANKHEAD BILL

Senator BANKHEAD, of Alabama, has introduced a bill—S. 2022, referred to the Senate Committee on Agriculture and Forestry—which provides for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges. The same bill has been introduced in the House by Representative JONES, of Texas—H. R. 6123, referred to the Committee on Agriculture.

#### THE TERRY-ROBINSON BILL

Senator ROBINSON and Representative TERRY sponsored a measure—S. 3223—to permit the R. F. C. to loan \$10,000,000 to school districts.

#### OTHER MEASURES PROPOSED

Representative KENNEY, of New Jersey, introduced a bill—H. R. 6094, referred to the Committee on Education—which is designed to establish an Aviation Bureau in the office of the Commissioner of Education in the Department of the Interior.

Representative FORD, of California, introduced a bill—H. R. 5359, referred to the Committee on Education—which is designed to establish a national academy for training in public service.

Representative ROBSON of Kentucky has introduced a bill—H. R. 6959—for Federal aid to schools by calling for an allotment of \$200,000,000 out of the \$4,480,000,000 public works and relief appropriation already passed.

Representative DEEN, of Georgia, has introduced a bill—H. R. 6955—to provide for cooperation of the Federal Government with States and the District of Columbia by an allotment of \$25,000,000 out of F. E. R. A. funds for educational purposes.

#### AMERICAN SCHOOLS HARDER HIT THAN FOREIGN

The United States Office of Education, Bulletin No. 14, 1933, indicates that schools in foreign countries have not suffered as American schools have in the depression. In many countries the status of education has been advanced; this was the tendency in the United States in former depressions, but not in the present crisis.

Mexico reports renewed activity and plans for more rapid development. Thousands of new Mexican rural schools have been established in the last 10 years.

In Australia there has been no curtailment in the standards of instruction.

In England and Wales adult education continued to expand; more beautiful and better school buildings were erected.

In the Irish Free State the situation continued to improve.

In New Zealand no public and only a few private schools closed.

E. G. Malherbe, director of education in South Africa, states:

Though we have in South Africa been hit by the depression just as much as the United States, we have to a large extent spared our educational system the shock of the blow.

Belgium, Bulgaria, Albania, Denmark, France, Greece, Italy, Latvia, Luxemburg, and Switzerland are among the European countries which have maintained their school systems in spite of depression and panic.

#### THE RACE BETWEEN CIVILIZATION AND CATASTROPHE

No one can set the boundaries to the future of education in America. The future of America will be largely determined by the progress of education. When a long perspective is considered, there is no more important function of the National Government than to provide education. The very life of democracy depends upon it. What use is to be made of ever-lengthening leisure hours will be determined by it. There is no such thing as overproduction in these nonmaterial things of life which education produces. The field of art, science, and music has no bounds. It is the field of the future. We can make it possible for the masses of our people to benefit from the discovery that "education is life." Our culture will rest on the sturdy shoulders of modern mechanical invention as Greek culture rested upon the backs of human slaves.

This is the future which lies before us if we will modernize and expand our systems of education, both for children and for adults. The enemies of education must be dethroned. Retrenchment must be halted. The race between civilization and catastrophe must be won. To entrenched wealth and the selfish Money Trust we say you shall not crucify the youth of America upon your cross of greed and gold. We defy them and we will win. [Applause.]

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. LUNDEEN. I yield.

Mr. O'CONNOR. Is the gentleman aware of the fact we have reported a rule authorizing the R. F. C. to lend to school districts, which is pending and is expected to be called up in a few days?

Mr. LUNDEEN. I may say to the gentleman that the administration has done considerable work along this line, and I am only urging further action.

Mr. CHRISTIANSON. Mr. Speaker, will the gentleman yield?

Mr. LUNDEEN. Yes; certainly.

Mr. CHRISTIANSON. Have the administration forces in the House given the gentleman a hearing on the bill he introduced in the first part of the session?



Mr. LUNDEEN. There has been some consideration, but I have not succeeded in getting my bill to the floor.

Mr. CHRISTIANSON. Has the gentleman had a hearing before the Committee on Education?

Mr. LUNDEEN. No.

Mr. CHRISTIANSON. Does not the gentleman think that is the first step that will have to be taken before any remedial legislation can be considered and adopted by the House?

Mr. LUNDEEN. I think there should be a full hearing on these educational bills. Something has been done, but more should be done.

[Here the gavel fell.]

Mr. LUNDEEN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein certain information, statistics, and data supporting the statements I have made.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

#### APPENDIX A Trends in teachers' salaries, 1926-35

Years ending June 30—	Average salary of teachers, principals, and supervisors	Index of average salary of teachers, principals, and supervisors (1930=100)
(1)	(2)	(3)
1926.....	\$1,277	90
1927.....	1,320	93
1928.....	1,364	96
1929.....	1,392	98
1930.....	1,420	100
1931.....	1,440	101
1932.....	1,417	100
1933.....	1,316	93
1934.....	1,222	86
1935.....	1,226	86

Sources of data: See table 1. The figure on salaries for 1934, however, was not included in the estimates from State departments of education. It was interpolated between 1933 and 1935 in accordance with the trend in total expenditures per teacher. Source: Major trends in Public Education, Joint Commission on the Emergency in Education, National Education Association, and Department of Superintendence, October 1934.

#### Average salaries of teachers in rural school districts in 1933-34 and 1934-35 for 25 States and in independent and city school districts in 1934-35 for 15 States

State      (1)	Monthly salary per teacher in—				
	Rural school districts				Independent and city school districts 1934-35  (6)
	1933-34		1934-35		
	Elementary  (2)	Secondary  (3)	Elementary  (4)	Secondary  (5)	
Alabama.....	\$68.00	\$91.00	\$70.00	\$92.00	\$92.77
Arizona.....	120.00	152.00	118.00	163.00	204.28
Arkansas.....	64.00	64.00	66.00	75.00	-----
Colorado.....	80.00	95.00	81.00	92.50	201.75

#### Average salaries of teachers in rural school districts in 1933-34 and 1934-35 for 25 States and in independent and city school districts in 1934-35 for 15 States—Continued

State   
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<sup>1</sup> Estimated.

<sup>2</sup> In Ohio there are approximately 735,000 pupils and 26,000 teachers in 109 city school districts that will have to close short of a normal school term according to their financial status as of Oct. 28, 1934. In these districts the current deficits amounted to more than \$27,000,000. At the time of the publication of this report it appears that a recent session of the Ohio Legislature has done much to relieve the financial distress of the schools.

<sup>3</sup> Elementary and secondary combined.

Source: U. S. Office of Education, Circular No. 138, March 1935.

#### APPENDIX B

#### Schools which would be forced to close if teachers' salaries were required to be paid in cash

Arizona (districts).....	184
Arkansas.....	150
Georgia (operating solely on prospect of Federal aid).....	2,000
Idaho (registered warrant basis; "without cash").....	210
Illinois (in critical need).....	17
Iowa (one school of 16 teachers and many rural districts).....	500
Kansas.....	1,200
Maine.....	105
Minnesota (must close, or in great need).....	4,800
Mississippi (on Mar. 25; "80 percent of all schools").....	1,100
Missouri (Mar. 25).....	650
Montana (Mar. 25).....	33
Nevada (Mar. 25).....	996
New Mexico.....	500
Oklahoma.....	104
Oregon (districts, Mar. 25).....	-----
Tennessee (42 cities and 65 counties).....	1,000
Texas.....	46
Washington.....	800
Wisconsin (districts).....	60
Wyoming.....	-----

Total, counting only 1 school per district and not including Iowa and Tennessee..... 14,455

Source: National Education Association, Apr. 30, 1935.

#### APPENDIX C

#### Number of schools in 8 States with no funds for 1934-35, number of pupils, number of teachers, and the amount of funds required for salaries for 8 months in such schools

State  (1)	Number of schools			Number of districts  (5)	Number of pupils			Number of teachers			Funds required		
	Elemen- tary  (2)	Second- ary  (3)	Total  (4)		Elemen- tary  (6)	Second- ary  (7)	Total  (8)	Elemen- tary  (9)	Second- ary  (10)	Total  (11)	Elemen- tary  (12)	Second- ary  (13)	Total  (14)
Arkansas.....	149	121	270	149	37,586	11,072	48,658	893	412	1,305	\$471,504	\$247,200	\$718,704
Colorado.....	3	1	4	4	25	6	31	3	1	4	1,944	740	2,684
North Dakota.....	160	21	181	162	1,601	368	1,969	141	21	162	62,491	14,658	77,149
South Dakota.....	110	20	130	120	5,000	250	5,250	200	25	225	100,000	20,000	120,000
Tennessee.....	1	-----	1	1	532	-----	532	14	-----	14	6,989	-----	6,989
Texas.....	1	1	2	2	27	9	36	2	1	3	1,318	766	2,084
Virginia.....	28	-----	28	28	605	-----	605	31	-----	31	15,810	-----	15,810
Washington.....	1	-----	1	1	9	-----	9	1	-----	1	720	-----	720
Total.....	453	164	617	467	45,385	11,705	57,090	1,285	460	1,745	660,776	283,364	944,140

Source: U. S. Office of Education, Circular No. 138, March 1935.



## APPENDIX D

*Curtailed school terms, number of schools, and number of pupils affected in rural areas in 25 States, 1934-35*

State	Number of schools			Number of districts	Number of pupils		
	Elementary	Secondary	Total		Elementary	Secondary	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Alabama.....	5,070	1,599	6,669	5,028	385,182	90,324	475,506
Arizona.....	83	28	111	100	26,447	5,406	31,853
Arkansas.....	641	284	925	641	121,049	50,605	171,654
Colorado.....	249	62	311	257	8,625	2,847	11,472
Florida.....	916	204	1,120	960	98,618	37,941	136,559
Idaho.....	125	10	135	135	3,000	780	3,780
Iowa.....	62		62	62	681		681
Louisiana.....	234	34	268	234	21,560	4,284	25,844
Minnesota.....	157	10	167	157	5,924	712	6,636
Mississippi.....	4,993	727	5,720	5,019	327,645	28,482	356,127
Nebraska.....	132	19	151	137	2,291	616	2,907
New Mexico.....	850	80	930	880	10,000	1,500	11,500
North Dakota.....	1,774	225	1,999	1,782	37,939	10,615	48,554
Ohio.....	1,773	1,773	3,546	1,773	276,640	166,755	443,395
Oklahoma.....	2,296	379	2,675	2,296	195,822	23,100	218,922
Oregon.....	112	30	142	125	4,700	2,050	6,750
South Dakota.....	600	200	800	700	5,000	1,000	6,000
Tennessee.....	2,330	213	2,543	2,440	131,849	20,661	152,510
Texas.....	1,609	1,018	2,627	1,729	83,311	26,207	109,518
Utah.....				20	29,026	20,175	49,201
Virginia.....	2,351	560	2,911	2,412	193,785	32,340	226,125
Washington.....	37	3	40	37	1,939	87	2,026
West Virginia.....	2,980	109	3,149	3,149	132,997	26,550	159,547
Wisconsin.....	382	75	457	437	17,650	9,600	27,250
Wyoming.....	86	9	95	87	788	75	863
Total <sup>1</sup> .....	29,802	7,711	37,513	30,497	2,122,468	562,712	2,685,180

<sup>1</sup> There are other States in which there is an emergency in school finance, but specific reports for districts have not been made to the Office of Education.

Source: U. S. Office of Education Circular 138, March 1935.

## APPENDIX E

*Number of school districts with curtailed schools in rural and urban territory in 1934-35 and number of pupils affected in 25 States (total of tables 2 and 3)*

State	Number of districts	Number of pupils affected		
		Elementary	Secondary	Total
(1)	(2)	(3)	(4)	(5)
Alabama.....	5,060	414,127	105,018	519,145
Arizona.....	103	38,146	5,908	44,054
Arkansas.....	641	121,049	50,605	171,654
Colorado.....	275	13,641	5,369	19,010
Florida.....	965	118,034	46,197	164,231
Idaho.....	146	5,207	2,395	7,602
Iowa.....	62	681		681
Louisiana.....	234	21,560	4,284	25,844
Minnesota.....	180	9,944	3,630	13,574
Mississippi.....	5,134	431,777	50,908	482,685
Nebraska.....	192	10,793	6,033	16,826
New Mexico.....	880	10,000	1,500	11,500
North Dakota.....	1,815	57,216	19,666	76,882
Ohio.....	1,773	276,640	166,755	443,395
Oklahoma.....	2,523	283,882	56,927	340,809
Oregon.....	125	4,700	2,050	6,750
South Dakota.....	900	53,000	29,500	82,500
Tennessee.....	2,475	147,829	24,068	171,897
Texas.....	2,131	223,937	76,647	300,584
Utah.....	20	29,026	20,175	49,201
Virginia.....	2,414	195,879	33,534	229,413
Washington.....	37	1,939	87	2,026
West Virginia.....	3,149	132,997	26,550	159,547
Wisconsin.....	437	17,650	9,600	27,250
Wyoming.....	101	3,979	1,791	5,770
Total <sup>1</sup> .....	31,672	2,623,633	749,197	3,372,830

<sup>1</sup> In Ohio there are approximately 735,000 pupils and 26,000 teachers in 109 city school districts that will have to close short of a normal school term according to their financial status as of Oct. 28, 1934. In these districts the current deficits amounted to more than \$27,000,000. At the time of the publication of this report it appears that a recent session of the Ohio Legislature has done much to relieve the financial distress of the schools.

<sup>2</sup> There are other States in which there is an emergency in school finance but specific reports for districts have not been made to the Office of Education.

Source: U. S. Office of Education, Circular No. 138, March 1935.

## APPENDIX F

*Pupils enrolled per teacher, 1926-35*

Years ending June 30—	Total enrollment	Number of teachers, principals, and supervisors	Pupils enrolled per teacher	Index of number of pupils enrolled per teacher 1930=100
(1)	(2)	(3)	(4)	(5)
1926.....	24,741,468	831,078	29.77	102
1927.....	24,960,582	842,654	29.62	102
1928.....	25,179,696	854,230	29.47	101
1929.....	25,428,856	867,297	29.31	101
1930.....	25,678,015	880,365	29.16	100
1931.....	26,011,586	892,466	29.14	100
1932.....	26,275,441	892,945	29.42	101
1933.....	26,556,000	883,000	30.07	103
1934.....	26,722,000	850,000	31.43	108
1935.....	26,909,000	869,000	30.96	106

Sources of data: The number of teachers, principals, and supervisors for 1934 is calculated as follows: The U. S. Office of Education estimated that the number of city school teachers had decreased 18,000 between 1930 and 1934. Assuming that practically no decrease could occur in teachers in 1- or 2-room schools and that the remaining rural teachers decreased in the same proportion as city school teachers, it is estimated that there were 12,400 fewer rural school teachers in 1934 than in 1930. The total number of teachers for 1934, then, amounts to 30,400 less than the 1930 total, or 850,000.

Taken from: Major Trends in Public Education, Joint Commission on the Emergency in Education, National Education Association, and Department of Superintendence, October 1934.

## APPENDIX G

*Number of condemned buildings still in use in 18 States and 163 cities*

Areas represented	Buildings located in areas represented		Condemned buildings	
	Number	Percent of all buildings in comparable areas <sup>1</sup>	Number	Percent
(1)	(2)	(3)	(4)	(5)
18 States <sup>2</sup> .....	100,512	40.9	5,045	5.0
94 cities in other States.....	4,313	34.0	76	1.8
49 cities over 100,000.....	4,487	53.8	20	.4
114 cities 30,000-100,000.....	2,210	50.9	77	3.5
163 cities.....	6,697	52.8	97	1.4
Total number reported (excluding duplicates).....			5,121	

<sup>1</sup> Since, according to Statistics of State School Systems, 1931-32 (U. S. Dept. of the Interior, Office of Education. Biennial Survey of Education in the United States: 1930-32. Bulletin, 1933, no. 2, ch. I; advance pages, p. 70), there are 245,941 school buildings in continental United States, the 100,512 buildings in the 18 States reporting constitute 40.9 percent of the total number. Similarly, there are 12,679 buildings in all cities in the population groups covered by this inquiry: 8,334 in cities over 100,000 in population and 4,345 in cities 30,000 to 100,000 in population as reported in "Statistics of City School Systems for the year 1931-32" (U. S. Dept. of the Interior, Office of Education, Biennial Survey of Education in the United States: 1930-32. Bulletin, 1933, no. 2, ch. II; advance pages, p. 25). Based on these totals, the reports from 94 cities represent 34 percent of all buildings in comparable cities; those for 49 cities, 114 cities, and 163 cities represent 53.8, 50.9, and 52.8 percent, respectively.

<sup>2</sup> The States represented are Colorado, Connecticut, Delaware, District of Columbia, Florida, Indiana, Kentucky, Maryland, Michigan, Missouri, Nebraska, New York, North Carolina, Ohio, Pennsylvania, South Carolina, South Dakota, and Wisconsin. It should be noted that California, where large numbers of school buildings have been condemned recently because of earthquake hazards, is not among the States reporting.

<sup>3</sup> These figures are excluded from the total (5,121) because some of the cities may have been covered by the State reports.

Source: The Nation's School Building Needs, National Education Association, January 1935.



## APPENDIX H

Number of children attending school in buildings condemned as unsafe or unsanitary in 17 States and 163 cities

Areas represented (1)	Pupils in the areas represented		Pupils attending school in condemned buildings	
	Number (2)	Percent of all pupils in comparable areas <sup>1</sup> (3)	Number (4)	Percent (5)
17 States <sup>1</sup> .....	12,256,946	46.6	645,034	5.3
95 cities in other States.....	2,529,095	29.8	42,577	1.7
49 cities over 100,000.....	3,079,031	49.1	110,952	4.4
114 cities, 30,000-100,000.....	1,116,791	50.3	136,824	3.3
163 cities.....	4,195,822	49.4	147,776	1.1
Total number reported (excluding duplicates).....			687,611	

<sup>1</sup> Computed from totals appearing in: U. S. Department of the Interior, Office of Education. Biennial Survey of Education: 1930-32. Bulletin, 1933, no. 2. Washington, D. C.: Government Printing Office, 1933 (chs. I and II; advance pages). For the method used see footnote 1 in table I.

<sup>2</sup> These States are listed in footnote 5, p. 10.

<sup>3</sup> Excluded from the total because of possible duplication.

Source: The Nation's School Building Needs, National Education Association, January 1935.

## APPENDIX I

Number of pupils in 20 States and 163 cities who can attend school only part time because of inadequate housing facilities

Areas represented (1)	Pupils in the areas represented		Pupils attending school part time	
	Number (2)	Percent of all pupils in comparable areas <sup>1</sup> (3)	Number (4)	Percent (5)
20 States <sup>1</sup> .....	10,604,934	40.4	246,086	2.3
108 cities in other States.....	2,803,443	33.0	145,662	5.2
49 cities over 100,000.....	3,079,031	49.1	142,926	4.6
114 cities, 30,000 to 100,000.....	1,116,791	50.3	125,324	2.4
163 cities.....	4,195,822	49.4	169,250	4.0
Total number reported (excluding duplicates).....			391,748	

<sup>1</sup> Computed from totals appearing in U. S. Department of the Interior, Office of Education. Biennial Survey of Education in the United States: 1930-32. Bulletin, 1933, no. 2. Washington, D. C.: Government Printing Office, 1933 (chs. I and II; advance pages). For the method used see footnote 1 in table I.

<sup>2</sup> The States represented are: Arizona, Colorado, Connecticut, Delaware, District of Columbia, Florida, Indiana, Kentucky, Maryland, Michigan, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, South Dakota, Tennessee, Utah, Washington, and Wisconsin.

<sup>3</sup> Excluded from the total because of possible duplication.

Source: The Nation's School Building Needs, National Education Association, January 1935.

## APPENDIX J

Number of pupils housed in portable, rented, and other temporary structures in 23 States and 163 cities

Areas represented (1)	Pupils in the areas represented		Pupils housed in temporary structures	
	Number (2)	Percent of all pupils in comparable areas <sup>1</sup> (3)	Number (4)	Percent (5)
23 States <sup>1</sup> .....	12,305,065	46.8	494,568	4.0
82 cities in other States.....	2,343,864	27.6	123,500	5.3
49 cities over 100,000.....	3,079,031	49.1	122,801	4.0
114 cities, 30,000 to 100,000.....	1,116,791	50.3	128,941	2.6
163 cities.....	4,195,822	49.4	151,742	3.6
Total number reported (excluding duplicates).....			618,068	

<sup>1</sup> Computed from totals appearing in U. S. Department of the Interior, Office of Education. Biennial Survey of Education in the United States: 1930-32. Bulletin, 1933, no. 2. Washington, D. C.: Government Printing Office, 1933 (chs. I and II; advance pages). For the method used see footnote 1 in table I.

<sup>2</sup> The States represented are Arizona, Colorado, Connecticut, Delaware, District of Columbia, Florida, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Michigan, Mississippi, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, South Dakota, Utah, Washington, West Virginia, and Wisconsin.

<sup>3</sup> Excluded from the total because of possible duplication.

Source: The Nation's School Building Needs, National Education Association, January 1935.

## APPENDIX K

Approximate age of school buildings in 10 States

Date of construction (1)	1-room buildings		All other		Buildings of all types	
	Number (2)	Percent (3)	Number (4)	Percent (5)	Number (6)	Percent (7)
Before 1870.....	2,082	8.1	1,122	6.8	3,204	7.6
1870-99.....	10,615	41.2	3,973	24.0	14,588	34.4
1900-29.....	12,296	47.7	10,304	62.2	22,600	53.4
Since 1930.....	779	3.0	1,157	7.0	1,936	4.6
Total.....	25,772	100.0	16,556	100.0	42,328	100.0

Based on reports from Colorado, Connecticut, District of Columbia, Kentucky, Maryland, Michigan, Mississippi, South Carolina, South Dakota, and West Virginia.

Source: The Nation's School Building Needs, National Education Association, January 1935.

## APPENDIX L

City school services, 1931-35

Schools or classes (1)	Estimated percent of cities eliminating by 1933 (2)	Estimated percent of cities restoring by 1935 (3)
Home-making.....	3	2
Postgraduates.....	3	1
Music.....	4	2
Physical education.....	4	1
Art.....	6	(1)
Physically handicapped.....	7	1
Mentally handicapped.....	8	(1)
Kindergartens.....	12	3
Continuation work.....	21	4
Americanization.....	23	3
Night, adult classes.....	28	9
Summer schools.....	28	3

<sup>1</sup> Less than 1 percent.

Read table: 3 percent of cities having home-making classes eliminated them by 1933. By 1935, 1 percent restored them. (Source: U. S. Office of Education and National Education Association.)

Source: Major Trends in Public Education, Joint Commission on the Emergency in Education, National Education Association, and Department of Superintendence, October 1934.

## APPENDIX M

Cost per child enrolled, 1926-35

Years ending June 30 (1)	Total enrollment (2)	Total expenditures (3)	Cost per child enrolled (4)	Index number cost per child enrolled, 1930=100 (5)
1926.....	24,741,468	\$2,026,308,190	\$81.90	91
1927.....	24,960,582	2,105,322,414	84.35	93
1928.....	25,179,696	2,184,336,638	86.75	96
1929.....	25,428,856	2,250,563,511	88.50	98
1930.....	25,678,015	2,316,790,384	90.22	100
1931.....	26,011,586	2,316,613,523	89.06	99
1932.....	26,275,441	2,174,650,555	82.76	92
1933.....	26,556,000	1,889,659,000	71.16	79
1934.....	26,722,000	1,799,306,000	67.33	75
1935.....	26,909,000	1,842,531,000	68.47	76

Source: Major Trends in Public Education. Joint Commission on the Emergency in Education, National Education Association, and department of superintendence, October 1934.

## APPENDIX N

Per capita expenditures for delinquents in industrial schools, prisoners in penal institutions, and students in public schools

States (1)	Juvenile delinquents in industrial schools <sup>1</sup>		Adult prisoners in State penal institutions <sup>2</sup>		Students in public elementary and secondary schools <sup>3</sup>	
	Average enrollment 1926-27 (2)	Per capita expenditure for current expenses 1926-27 (3)	Average daily population 1928 (4)	Average per capita cost for operating expenses 1928 (5)	Average daily attendance 1927-28 (6)	Per pupil cost for current expenses 1927-28 (7)
United States.....	38,113	\$425	100,410	\$319.75	20,608,353	\$87.22
Alabama.....	409	245	1,022	262.85	465,355	34.53
Arizona.....	105	573	535	272.45	68,572	115.53
Arkansas.....	175	545	1,184	206.79	348,981	34.35
California.....	1,339	501	6,547	188.86	847,836	130.97
Colorado.....	389	481	1,229	373.06	187,109	122.31

[See footnotes at end of table]



Per capita expenditures for delinquents in industrial schools, prisoners in penal institutions, and students in public schools—Con.

States	Juvenile delinquents in industrial schools		Adult prisoners in State penal institutions		Students in public elementary and secondary schools	
	Average enrollment 1926-27	Per capita expenditure for current expenses 1926-27	Average daily population 1928	Average per capita cost for operating expenses 1928	Average daily attendance 1927-28	Per pupil cost for current expenses 1927-28
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Connecticut.....	439	\$456	1,030	\$529.84	262,362	\$104.22
Delaware.....	245	400			35,003	84.74
District of Columbia.....	577	366			63,908	128.02
Florida.....	411	282	1,067	274.82	275,442	85.14
Georgia.....	112	313	400	181.48	535,196	30.88
Idaho.....	296	345	403	282.66	95,740	97.57
Illinois.....	2,967	518	6,684	302.15	1,175,978	99.62
Indiana.....	828	625	3,808	219.70	604,392	96.67
Iowa.....	710	425	2,220	379.17	461,861	101.25
Kansas.....	1,279	406	2,820	350.09	357,029	107.23
Kentucky.....	1,071	345	2,571	219.17	427,786	43.81
Louisiana.....	195	451	1,855	243.54	324,400	54.02
Maine.....	421	324	374	775.93	134,928	74.49
Maryland.....	985	340	2,180	288.62	255,669	80.13
Massachusetts.....	1,320	493	1,961	455.97	655,827	107.73
Michigan.....	1,603	567	6,642	382.45	770,362	117.06
Minnesota.....	706	553	2,150	447.51	453,303	99.70
Mississippi.....	300	318	1,598	312.89	427,789	37.02
Missouri.....	845	438	3,795	310.30	553,308	68.11
Montana.....	216	477	476	329.65	101,268	113.58
Nebraska.....	313	357	1,023	418.19	267,311	91.39
Nevada.....			231	361.39	14,875	133.34
New Hampshire.....			123	677.95	63,781	96.32
New Jersey.....	2,079	539	2,615	463.74	632,021	129.03
New Mexico.....	44	455	410	368.52	59,962	82.09
New York.....	5,570	488	7,752	401.04	1,768,364	137.95
North Carolina.....	415	321	1,922	287.88	640,651	46.63
North Dakota.....	185	480	305	591.60	137,405	102.98
Ohio.....	3,954	220	8,062	225.78	1,085,262	103.89
Oklahoma.....	671	550	3,410	239.84	457,983	60.12
Oregon.....	223	606	689	268.72	164,088	100.08
Pennsylvania.....	1,875	490	4,835	494.23	1,599,351	89.19
Rhode Island.....	177	644	386	554.26	97,729	97.59
South Carolina.....	190	147	551	275.97	348,394	40.65
South Dakota.....			418	403.37	135,754	101.09
Tennessee.....	785	237	2,000	401.47	476,692	39.37
Texas.....	1,051	290	4,138	329.65	1,026,074	52.14
Utah.....			229	482.11	119,017	76.92
Vermont.....			366	486.80	56,094	81.31
Virginia.....	543	223	2,298	77.15	437,861	44.35
Washington.....	868	356	1,605	276.07	273,542	102.64
West Virginia.....	547	259	1,900	103.31	332,169	67.90
Wisconsin.....	599	425	1,629	382.42	485,625	84.36
Wyoming.....	81	630	302	357.53	38,914	144.56

<sup>1</sup> Figures from Department of the Interior, Office of Education, Bulletin, 1928, No. 10, Industrial Schools for Delinquents, 1926-27, table 8, columns 7 and 9, p. 11.

<sup>2</sup> Figures from National Commission on Law Observation and Enforcement, Report on the Cost of Crime, June 24, 1931, table 3, column 2, pp. 220-221, also table 4, column 5, pp. 222-223.

<sup>3</sup> Figures from Department of the Interior, Office of Education, Bulletin, 1930, No. 16, Biennial Survey of Education, 1926-28, table 7, column 8, p. 460, also table 28, column 8, p. 487.

Source: Crime Prevention Through Education, National Education Association, September 1932.

## APPENDIX O

## Wealth per child of school age, by States, 1932

States	Value of tangible wealth	Population ages 6 to 17 years	Wealth child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
United States.....	\$247,300,000,000	29,534,012	\$8,373.40	
Alabama.....	2,349,350,000	760,615	3,088.75	48
Arizona.....	1,046,079,000	109,760	9,530.60	26
Arkansas.....	2,035,279,000	517,346	3,734.08	44
California.....	11,825,886,000	1,097,222	10,778.02	15
Colorado.....	2,517,514,000	242,904	10,364.23	18
Connecticut.....	4,186,789,000	379,415	11,034.85	11
Delaware.....	494,600,000	53,784	9,196.04	28
District of Columbia.....	1,325,528,000	81,986	16,167.74	2
Florida.....	1,941,305,000	362,747	5,351.68	38
Georgia.....	3,068,993,000	825,567	3,717.44	46
Idaho.....	1,221,662,000	117,963	10,356.32	17
Illinois.....	17,860,460,000	1,664,682	10,428.69	19
Indiana.....	6,931,819,000	727,705	9,525.59	27
Iowa.....	8,188,103,000	568,931	14,392.08	4
Kansas.....	4,879,229,000	441,870	11,042.23	10
Kentucky.....	2,806,855,000	695,113	4,037.98	43
Louisiana.....	2,685,678,000	566,784	4,738.45	42
Maine.....	1,585,193,000	180,385	8,787.83	30
Maryland.....	3,140,710,000	375,231	8,370.07	32
Massachusetts.....	10,260,477,000	932,879	10,998.72	12

## Wealth per child of school age, by States, 1932—Continued

States	Value of tangible wealth	Population ages 6 to 17 years	Wealth child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
Michigan.....	\$9,026,450,000	1,128,151	\$8,001.10	34
Minnesota.....	6,696,884,000	611,611	10,949.58	14
Mississippi.....	1,713,789,000	569,673	3,008.37	49
Missouri.....	7,849,302,000	798,105	9,834.92	22
Montana.....	1,755,830,000	131,042	13,398.99	5
Nebraska.....	4,152,167,000	332,148	12,500.95	8
Nevada.....	420,410,000	17,828	23,581.44	1
New Hampshire.....	1,085,647,000	101,041	10,744.62	16
New Jersey.....	9,308,372,000	935,789	9,947.08	21
New Mexico.....	670,183,000	118,051	5,677.06	37
New York.....	28,939,046,000	2,634,660	10,983.98	13
North Carolina.....	3,615,526,000	964,441	3,748.83	45
North Dakota.....	1,909,156,000	189,882	10,054.43	20
Ohio.....	14,610,484,000	1,495,790	9,767.74	23
Oklahoma.....	3,101,142,000	650,260	4,769.08	41
Oregon.....	2,685,678,000	202,884	13,237.51	6
Pennsylvania.....	22,692,248,000	2,377,778	9,543.47	25
Rhode Island.....	1,618,422,000	158,795	9,562.15	24
South Carolina.....	1,896,791,000	546,185	3,472.80	47
South Dakota.....	2,317,201,000	182,140	12,722.09	7
Tennessee.....	3,350,915,000	698,805	4,795.21	40
Texas.....	7,713,287,000	1,531,555	5,036.25	39
Utah.....	1,211,770,000	143,170	8,463.85	31
Vermont.....	660,291,000	80,748	8,177.18	33
Virginia.....	3,867,772,000	661,833	5,844.03	36
Washington.....	4,016,152,000	336,338	11,940.82	9
West Virginia.....	3,692,189,000	484,099	7,626.93	35
Wisconsin.....	6,194,865,000	694,598	8,918.63	29
Wyoming.....	776,522,000	53,723	14,454.18	3

<sup>1</sup> Population Apr. 1, 1930; decreased 1920 to 1930; no estimate made.

Sources: The figure on national wealth is that of the National Industrial Conference Board, published in the Conference Board Bulletin, May 20, 1933, p. 34. This national total is distributed among the States on the basis of the percent of 1930 national wealth allotted to each State in table 4, p. 496, of the Conference Board Bulletin, Feb. 20, 1932. Figures of column 3 are estimates obtained by multiplying a Census Bureau estimate of the total population as of July 1, 1932, by the percents that children 6 to 17 years were of the total population in each State as published in the decennial census of 1930.

Taken from Federal Assistance in Equalizing Educational Opportunity, Wm. G. Carr, reprinted from the 1934-35 Debate Handbook.

## APPENDIX P

## Income per child of school age, by States, 1932

States	Estimated income	Population ages 6 to 17 years	Income per child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
United States.....	\$48,894,000,000	29,534,012	\$1,655.52	
Alabama.....	517,787,460	760,615	680.75	47
Arizona.....	163,794,900	109,760	1,492.30	31
Arkansas.....	405,331,260	517,346	783.45	45
California.....	2,403,629,040	1,097,222	2,190.65	8
Colorado.....	479,650,140	242,904	1,974.65	14
Connecticut.....	761,279,580	379,415	2,006.46	13
Delaware.....	110,989,380	53,784	2,063.61	10
District of Columbia.....	349,592,100	81,986	4,264.05	1
Florida.....	298,253,400	362,747	822.21	44
Georgia.....	706,518,300	825,567	855.80	42
Idaho.....	180,907,800	117,963	1,533.60	29
Illinois.....	3,768,260,580	1,664,682	2,263.65	6
Indiana.....	1,194,480,420	727,705	1,641.43	25
Iowa.....	951,966,180	568,931	1,673.25	23
Kansas.....	729,009,540	441,870	1,649.83	24
Kentucky.....	680,604,480	695,113	979.13	40
Louisiana.....	538,511,880	566,784	950.65	41
Maine.....	330,034,800	180,385	1,829.61	20
Maryland.....	736,343,640	375,231	1,962.37	15
Massachusetts.....	2,442,744,240	932,879	2,618.50	4
Michigan.....	1,838,903,340	1,128,151	1,630.02	26
Minnesota.....	960,278,160	611,611	1,570.08	28
Mississippi.....	354,481,500	569,673	622.25	49
Missouri.....	1,393,479,000	798,105	1,745.98	22
Montana.....	241,536,360	131,042	1,843.20	19
Nebraska.....	505,563,960	332,148	1,522.10	30
Nevada.....	50,849,760	17,828	2,852.24	2
New Hampshire.....	204,376,920	101,041	2,022.71	11
New Jersey.....	1,796,387,680	935,789	1,918.58	16
New Mexico.....	121,257,120	118,051	1,027.16	39
New York.....	7,460,246,520	2,634,660	2,831.58	3
North Carolina.....	638,066,700	964,441	661.58	48
North Dakota.....	207,799,500	189,882	1,094.36	36
Ohio.....	2,841,230,340	1,495,790	1,899.48	18
Oklahoma.....	716,786,040	650,260	1,102.31	35
Oregon.....	408,753,840	202,884	2,014.72	12
Pennsylvania.....	4,545,186,240	2,377,778	1,911.53	17
Rhode Island.....	358,881,960	158,795	2,260.03	7
South Carolina.....	396,530,340	546,185	726.00	46
South Dakota.....	239,580,600	182,140	1,315.37	32
Tennessee.....	595,039,980	698,805	851.51	43
Texas.....	1,763,117,640	1,531,555	1,151.19	34
Utah.....	176,529,460	143,170	1,226.12	33

<sup>1</sup> Population Apr. 1, 1930; decreased 1920 to 1930; no estimate made.



Income per child of school age, by States, 1932—Continued

States	Estimated income	Population ages 6 to 17 years	Income per child ages 6 to 17 years	Rank in column 4
(1)	(2)	(3)	(4)	(5)
Vermont.....	\$144,237,300	80,748	\$1,786.26	21
Virginia.....	681,582,360	661,833	1,029.84	38
Washington.....	734,387,880	336,333	2,183.48	9
West Virginia.....	527,566,260	484,099	1,089.79	37
Wisconsin.....	1,120,161,540	694,593	1,612.68	27
Wyoming.....	123,212,890	53,723	2,293.43	5

Sources: The figure on national income is an estimate published in a report to the U. S. Senate on National Income, 1929-32, S. Doc., No. 124, p. 10. This report was compiled by the Federal Bureau of Foreign and Domestic Commerce with the cooperation of the National Bureau of Economic Research. This national total is distributed among the States on the basis of an average of the percents of national income in each State in 1919, 1921, and 1921 as estimated by the National Bureau of Economic Research. Figures of column 3 are estimates obtained by multiplying a Census Bureau estimate of the total population as of July 1, 1932, by the percents that children 6 to 17 years were of the total population in each State as published in the decennial census of 1930.

Taken from Federal Assistance in Equalizing Educational Opportunity, Wm. G. Carr, reprinted from the 1934-35 Debate Handbook.

## APPENDIX Q

Expenditures per child in average daily attendance, by States, 1932

States	Expenditures per child in average daily attendance in public elementary and secondary schools	Rank in column 2
(1)	(2)	(3)
United States.....	\$97.15	
Alabama.....	35.74	46
Arizona.....	113.76	14
Arkansas.....	34.39	47
California.....	154.80	5
Colorado.....	119.01	10
Connecticut.....	116.97	11
Delaware.....	163.37	3
District of Columbia.....	188.17	1
Florida.....	58.14	39
Georgia.....	33.43	48
Idaho.....	84.59	30

Expenditures per child in average daily attendance, by States, 1932—Continued

States	Expenditures per child in average daily attendance in public elementary and secondary schools	Rank in column 2
(1)	(2)	(3)
Illinois.....	\$114.18	13
Indiana.....	89.29	26
Iowa.....	93.26	24
Kansas.....	86.97	29
Kentucky.....	46.94	41
Louisiana.....	55.73	40
Maine.....	71.63	36
Maryland.....	103.46	21
Massachusetts.....	123.37	8
Michigan.....	115.60	12
Minnesota.....	104.43	17
Mississippi.....	41.93	44
Missouri.....	83.12	31
Montana.....	109.57	15
Nebraska.....	87.93	27
Nevada.....	148.75	6
New Hampshire.....	103.99	19
New Jersey.....	157.89	4
New Mexico.....	80.95	32
New York.....	176.20	2
North Carolina.....	41.33	45
North Dakota.....	92.87	25
Ohio.....	104.23	18
Oklahoma.....	53.35	38
Oregon.....	86.99	28
Pennsylvania.....	102.93	23
Rhode Island.....	133.35	7
South Carolina.....	33.43	49
South Dakota.....	103.12	22
Tennessee.....	43.77	43
Texas.....	74.48	34
Utah.....	72.33	35
Vermont.....	80.28	33
Virginia.....	45.96	42
Washington.....	106.65	16
West Virginia.....	69.45	37
Wisconsin.....	103.82	20
Wyoming.....	121.82	9

Source: Figures of column 2 are official figures of the Department of the Interior, Office of Education.

Taken from Federal Assistance in Equalizing Educational Opportunity, Wm. G. Carr, reprinted from the 1934-35 Debate Handbook.

## APPENDIX R

Reasons reported by school officials in 18 States for lack of funds for the operation of schools, 1934-35

State	Drought	Reduced valuations which decrease proceeds of general property taxes	Delinquent taxes	Carrying maximum indebtedness	Insufficient State aid	Unusual increase in population	Destructive storms or fires	Small, weak school districts	State salary schedule increased	Nonpayment of taxes by large holding corporations	Assessed valuations reduced due to Government acquisition of property	Maximum tax limitation too low
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Alabama.....		x	x	x	x	x			x		x	x
Arizona.....			x	x		x						
Arkansas.....	x	x	x	x		x						
Colorado.....	x	x	x	x				x				x
Florida.....		x	x	x	x	x	x		x	x	x	x
Idaho.....	x	x	x	x		x	x			x		
Iowa.....			x				x	x				x
Louisiana.....	x	x									x	
Nebraska.....	x	x	x	x	x			x				
North Dakota.....	x	x	x	x							x	
Ohio.....	x	x	x	x								x
Oklahoma.....	x	x	x		x	x			x		x	x
Tennessee.....	x	x	x	x	x	x	x		x	x		
Texas.....	x	x	x	x	x	x	x	x				
Virginia.....		x	x	x	x	x	x				x	
Washington.....		x	x	x				x				
West Virginia.....		x	x	x	x							x
Wyoming.....	x	x	x		x							x
Total.....	11	16	17	11	9	9	6	5	4	3	7	8

<sup>1</sup> 1 school district in Virginia reports that there are now insufficient funds to keep schools open because the cost of an uncompleted Federal school building project falls on the district.

Source: U. S. Office of Education, Circular No. 133, March 1935.



## APPENDIX S

Current indebtedness of independent and city school districts in 13 States in 1933 and 1934, expected revenues for 1934-35, and the relationship debts bear to receipts in 1934-35

State	Current indebtedness				Expected receipts	
	Sept. 1, 1933	Sept. 1, 1934	Increase or decrease from Sept. 1, 1933, to Sept. 1, 1934 (+ or -)	Per cent column 4 is of column 2 (+ or -)	For 1934-35	Per cent column 3 is of column 6
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alabama.....	\$86,044.05	\$141,050.85	+\$55,006.77	+63.9	\$941,458.00	14.9
Colorado.....	201,421.39	203,592.36	+2,170.97	+1.0	578,179.18	35.2
Florida.....	503,024.28	472,586.02	-30,438.26	-6.0	1,239,976.78	38.1
Idaho.....	110,608.52	71,974.86	-38,633.66	-34.9	198,451.53	36.2
Minnesota.....	29,523.49	23,810.78	-5,712.71	-19.3	506,724.94	46.9
Nebraska.....	192,780.99	216,137.01	+23,356.02	+12.1	661,956.00	32.6
North Dakota.....	238,702.81	292,659.15	+53,956.34	+22.6	1,299,452.27	22.5
South Dakota.....	1,603,666.00	2,000,000.00	+396,334.00	+24.7	5,750,000.00	34.7
Tennessee.....	382,052.37	370,943.55	-11,108.82	-2.9	356,616.70	104.0
Texas.....	856,840.00	825,331.00	-31,509.00	-3.6	7,949,525.00	10.4
Virginia.....	8,234.00	13,189.30	+4,955.30	+60.1	140,425.00	9.3
Wyoming.....	118,101.80	107,619.89	-10,481.91	-8.8	677,477.15	15.8
Total.....	4,330,993.73	4,738,894.77	+407,896.04	+9.4	20,300,242.55	23.3

Source: U. S. Office of Education, Circular No. 138, March 1935.

## APPENDIX T

Sources of State school revenue, 1933

## MINNESOTA

Source	Amount	Percent
1. Allocated taxes: (a) State 1-mill tax.....	\$1,600,000	16
2. Legislative appropriations: (a) Special State aid.....	5,600,000	56
3. Income from permanent school fund.....	2,800,000	28
Total.....	10,000,000	100

<sup>1</sup> Proceeds from income and sales taxes, enacted in 1933, did not become available until 1934.

Source: School Finance Systems, National Education Association, 1934.

Sources of State school revenue, 1933-34

## INDIANA

Source	Amount	Percent
1. Allocated taxes:		
(a) 7/10 mill property tax.....	\$2,500,000.00	16.50
(b) Intangibles tax.....	750,533.00	4.95
(c) Excise taxes on malt and vinous beverages.....	1,762,587.76	11.63
(d) Poll tax.....	270,000.00	1.78
2. Fines, fees, etc. (placed in common-school fund).....		
3. Legislative appropriations:		
(a) From State general fund not to exceed \$600 per unit.....	8,095,217.44	53.41
(b) From State general fund for special class reimbursement.....	25,000.00	.17
4. Income from permanent funds:		
(a) Common-school fund.....	1,627,858.39	10.74
(b) Congressional township fund.....	125,000.00	.82
Total.....	15,156,196.59	100.00

Source: School Finance Systems, Research Division, National Education Association, Dec. 10, 1934.

Sources of State school revenue, 1932-33

## LOUISIANA

Source	Amount	Percent
1. Allocated taxes:		
(a) 2 1/4-mill tax.....	\$3,359,207.82	49.6
(b) Severance taxes.....	1,272,720.99	18.8
(c) Malt tax.....	23,800.71	.3
(d) 1/4-cent gasoline tax.....	872,138.51	12.9
(e) Beer tax.....	(5)	
2. Legislative appropriations:		
(a) State general fund.....	1,081,584.50	16.0
(b) State bond and interest tax fund.....	(5)	
3. Income from free school (permanent) fund.....	151,690.30	2.2
4. Minor sources.....	11,292.79	.2
Total.....	6,772,495.62	100.0

<sup>1</sup> 1933 figures. The amounts for the year 1932-33 are not available as the State treasurer keeps his records on the calendar year basis only.

<sup>2</sup> Rescinded in 1934.

<sup>3</sup> Included with appropriation from State General Fund.

<sup>4</sup> Included with income from Free School Fund.

Source: School Finance Systems, National Education Association, 1934.

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## APPENDIX U

Deficits expected for the year 1934-35 in rural and city school districts reported by 25 States

State	Amount of deficits		
	In rural districts	In independent districts	Total
(1)	(2)	(3)	(4)
Alabama.....	\$3,277,639.00	\$337,262.00	\$3,614,901.00
Arizona.....	548,039.92	79,138.00	627,177.92
Arkansas.....	2,500,000.00		2,500,000.00
Colorado.....	233,861.00	134,748.00	368,609.00
Florida.....	608,252.00	251,083.00	859,335.00
Idaho.....	47,527.00	55,998.00	103,525.00
Iowa.....	12,725.00		12,725.00
Louisiana.....	267,653.00		267,653.00
Minnesota.....	103,577.00	105,330.00	208,907.00
Mississippi.....	2,508,707.67	200,000.00	2,708,707.67
Nebraska.....	51,354.00	215,784.00	267,138.00
New Mexico.....	180,000.00		180,000.00
North Dakota.....	1,014,639.30	385,976.00	1,400,615.30
Ohio.....	9,000,000.00		9,000,000.00
Oklahoma.....	1,424,412.00	1,160,777.00	2,585,189.00
Oregon.....	181,275.00		181,275.00
South Dakota.....	1,000,000.00	200,000.00	1,200,000.00
Tennessee.....	746,663.58	385,976.00	1,132,639.58
Texas.....	666,120.15	1,573,763.00	2,239,883.15
Utah.....	424,058.00		424,058.00
Virginia.....	935,342.00	16,479.00	951,821.00
Washington.....	25,366.00		25,366.00
West Virginia.....	605,761.00		605,761.00
Wisconsin.....	200,000.00		200,000.00
Wyoming.....	17,200.00	133,543.00	150,743.00
Total.....	26,580,152.62	\$5,235,857.00	\$31,816,009.62

<sup>1</sup> In Ohio there are approximately 735,000 pupils and 26,000 teachers in 109 city school districts that will have to close short of a normal school term according to their financial status as of Oct. 23, 1934. In these districts the current deficits amounted to more than \$27,000,000. At the time of the publication of this report it appears that a recent session of the Ohio Legislature has done much to relieve the financial distress of the schools.

<sup>2</sup> There are other States in which there is an emergency in school finance, but specific reports for districts have not been made to the Office of Education.

<sup>3</sup> Report on actual deficits incomplete. Probably \$500,000.

Source: U. S. Office of Education Circular No. 138, March 1935.

## APPENDIX V

Estimated revenue for 1934-35 in 21 States, compared with total revenue receipts in 1932

State	Revenue receipts, 1931-32	Estimated revenue, 1934-35	Revenue for 1934-35 compared with that for 1933-34
Alabama.....	\$18,212,751	\$7,000,000	Less.
Arizona.....	9,713,801	1,340,000	Same.
Arkansas.....	12,632,452	9,000,000	Do.
Connecticut.....	32,704,630	30,000,000	Do.
Delaware.....	4,382,246	3,488,000	Do.
Florida.....	18,349,010	10,000,000	Less.
Illinois.....	118,227,050	95,000,000	Do.
Indiana.....	59,549,332	50,000,000	
Iowa.....	46,268,614	26,000,000	Less (by 20 percent).
Kentucky.....	21,844,437	13,000,000	Less.
Louisiana.....	18,659,596	13,250,000	Do.
Massachusetts.....	82,629,016	67,000,000	Same.
Minnesota.....	46,988,488	40,000,000	
Mississippi.....	18,499,101	9,500,000	Less.
Nebraska.....	23,587,682	16,000,000	Less (by \$2,300,000).
Nevada.....	2,397,111	2,521,700	Less.
New Mexico.....	6,645,421	4,200,000	Do.
Oklahoma.....	26,425,108	19,000,000	
Oregon.....	15,434,271	11,500,000	Do.
Utah.....	9,350,598	8,500,000	
Vermont.....	4,885,132	4,320,000	Same.
Total.....	597,385,837	440,619,700	

Amount of decrease between 1931-32 and 1934-35..... \$156,766,137  
Percent of decrease between 1931-32 and 1934-35..... 26.2

Source: Revenue receipts for 1932 are advance figures supplied by the U. S. Office of Education. Estimated revenues for 1934-35 and the comparisons between those sums and current revenues come from telegrams from State departments of education to the National Committee for Federal Emergency Aid for Education. See the published report of the hearings before the Education Committee of the House of Representatives (Washington, D. C.: Government Printing Office, 1934.)

Taken from Emergency Federal Aid for Education, Research Division, National Education Association, April 1934.

APPENDIX W  
Governmental expenditures, 1932

(1)	Federal	State	Local	Total
(2)	(3)	(4)	(5)	
1. Schools.....	\$15,500,000	\$639,273,000	\$2,062,314,000	\$2,701,587,000
2. Highways.....	219,800,000	948,802,000	920,272,000	1,869,074,000
3. General government.....	874,300,000	142,822,000	420,251,000	563,073,000

## Governmental expenditures, 1932—Continued

(1)	Federal (2)	State (3)	Local (4)	Total (5)
4. Protection.....	\$1,791,300,000	\$91,304,000	\$447,080,000	\$538,384,000
5. Economic develop- ment.....	181,900,000	81,824,000	16,292,000	98,116,000
6. Social welfare.....	111,800,000	416,571,000	974,101,000	1,390,672,000
7. Miscellaneous.....		59,565,000	736,066,000	795,631,000
8. Public utilities.....		13,416,000	748,794,000	762,210,000
9. Interest.....	599,300,000	12,258,000	731,610,000	843,868,000
Total.....	3,793,900,000	2,505,835,000	7,056,780,000	13,356,500,000

## Source of data:

Column 2. Based on data from the following report: U. S. Treasury Department. Annual Report of the Secretary of the Treasury on the State of the Finances for the Fiscal Year Ended June 30, 1932. Washington, D. C.; Government Printing Office, 1932. 490 p. 50 cents. (Division of expenditures in column 2 made by the Research Division of the National Education Association. Follows classification used by the U. S. Census Bureau.)

Columns 3 and 4. Based on data from the following report: U. S. Department of Commerce, Bureau of the Census. Financial Statistics of State and Local Governments: 1932 (U. S. Summary). Washington, D. C.; Government Printing Office, 1934. 69 p. 10 cents.

Column 5. Sum of figures in columns 2, 3, and 4.

(Table furnished by National Education Association.)

## APPENDIX Y

## Functional distribution of Federal Government expenditures, fiscal years 1926-30

Purpose of disbursement (1)	1926 percent of net total <sup>1</sup> (2)	1927 percent of net total (3)	1928 percent of net total (4)	1929 percent of net total (5)	1930 percent of net total (6)	Actual ex- penditures 1929 (7)
General government.....	15.9	15.6	15.3	16.9	15.2	\$437,500,000
Protection.....	61.1	66.6	66.5	60.7	59.1	1,567,600,000
Education.....	.7	.7	.7	.6	.6	15,800,000
Highways.....	4.6	4.4	4.0	3.8	3.2	97,400,000
Economic development.....	6.8	7.4	7.6	7.5	8.4	194,300,000
Social welfare.....	3.2	2.6	2.5	3.4	3.2	87,400,000
Miscellaneous.....	.1	.1	.1	.7	5.5	18,700,000
Public utilities.....	7.6	2.6	3.3	6.3	4.8	162,700,000
Net total.....	100.0	100.0	100.0	100.0	100.0	2,581,400,000

<sup>1</sup> Includes all expenditures other than those for debt, redemption and interest.

Source: Annual Reports of the Secretary of the Treasury. Computed by National Industrial Conference Board.

## HARRY T. HERRING

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1426) providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade, and consider the same.

The Clerk read the title of the bill.

Mr. TABER. Mr. Speaker, reserving the right to object, what does this bill do? This is a private bill and was it not on the Private Calendar?

Mr. DEMPSEY. Yes; and the two objectors withdrew their objections today after they learned the situation, and the gentleman on your side was favorably inclined to the bill.

Mr. TABER. Does it place this man on the retired list at a salary?

Mr. DEMPSEY. No.

Mr. TABER. It just gives him this rank.

Mr. RICH. Is it going to cost the Government any money?

Mr. DEMPSEY. Not at this time; no.

There being no objection, the Clerk read the bill, as follows:

Whereas Harry T. Herring graduated from the United States Military Academy, West Point, N. Y., in the class of 1905, at which time he was denied commission in the United States Army because of an alleged heart ailment; and

Whereas he continued to follow the profession for which he was trained, being successively commandant of St. John's (Military) School, Manlius, N. Y., 1906-8; in the New York National Guard, 1908-10; and adjutant general of New Mexico, 1913-17; serving with the New Mexico Guard on the Mexican border during 1917, and resigning from the Guard to enter the Army of the United States as a captain of ordnance, from which rank he was successively promoted to lieutenant colonel, which was his rank on leaving the service; and

Whereas while technically an emergency officer he actually performed the duties of a regular, being assigned a most important

and difficult detail, involving the establishment of schools for the technical training of both officers and men for the mobile shops of the Ordnance Department to accompany combat organizations in the field, in which assignment his work was so outstanding as to result in his being recommended for the Distinguished Service Medal; and

Whereas in 1920 he was recommended by the Chief of Ordnance for retention in the Regular Army, but was denied a commission of a disability incurred in service; and

Whereas he is now disabled to an extent that the constant work required in earning a livelihood is a menace to his life: Therefore

Be it enacted, etc., That the President is authorized to appoint Harry T. Herring, formerly a lieutenant colonel, Ordnance Department, United States Army, a lieutenant colonel, United States Army, and to retire him and place him on the retired list of the Army as a lieutenant colonel, with the retired pay and allowance of that grade.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

## ORDER OF BUSINESS

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent that on tomorrow, immediately after the reading of the Journal and the disposition of matters on the Speaker's table, I may address the House for 15 minutes.

Mr. SNELL. Mr. Speaker, I reserve the right to object, not that I intend to object, but I should like to ask what the intended program is for tomorrow and if there is anything very important that is expected to be brought before the House.

Mr. O'CONNOR. Mr. Speaker, I may answer the gentleman by saying that we have some rules to bring up tomorrow. There are two bills with respect to Government leave and there is a rule with respect to reorganization of railroads in bankruptcy and there is a rule for the consideration of a resolution from the Foreign Affairs Committee with respect to a power conference that is to be held here next year sometime, as well as a number of other rules, and we will probably reach them tomorrow.

Mr. SNELL. Is there anything special after that for the balance of the week?

Mr. TAYLOR of Colorado. Mr. Speaker, I may say to the gentleman that if I can obtain the consent of the House I am going to request that we take up the Private Calendar again on Friday. There are a great many Members who want to get their bills considered, and I should like to give them this opportunity, if possible, this week, so that they may possibly get them through the Senate at this session.

Mr. KVALE. Mr. Speaker, among the rules to be brought up is there included a rule for the so-called "McCormack military-disaffection bill"?

Mr. O'CONNOR. I have never heard of it.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, some suggestion has been made that we will take up the Private Calendar on Friday, provided we are in session. Is there any disposition to have the House recess over the week-end, or are we going to continue to do business as rapidly as we can, so we may finish our business at the earliest possible date?

In other words, I am going to object to a recess from Friday to Monday if there is any work that we can do. Adjournment over the week-end is very nice for Members who live in nearby States, but for those of us who live in the West and the Middle West, it is only prolonging the agony, because we do not have time to go back and forth over the week-end.

Mr. O'CONNOR. Let me say to the gentleman that I have not been able to take a week-end vacation since December. But here is the situation. We have business to do, and we are going to have time to do it. During the consideration of the tax bill by the Senate there will be ample opportunity to dispose of all the business here. Adjournment from Friday to Monday I do not think will interfere with our business.

Mr. BOILEAU. I want to make my position clear. It is impossible for us to go home over the week-end. If we stay here and transact business we may be able to get away for a week or 10 days or 2 weeks and then come back to consider conference reports.



Mr. O'CONNOR. I do not believe you will get away a day earlier by not adjourning from Friday to Monday.

Mr. TAYLOR of Colorado. Mr. Speaker, I want to say that I will object to any adjournment over Friday. I hope I may obtain unanimous consent to take up the Private Calendar on Friday. It is not fair to the Membership to adjourn over Friday and Saturday at this stage of the session, with 400 bills on the Consent and Private Calendars.

Mr. RICH. I want to call attention to the fact that every day you take up the Private Calendar it costs the Government millions of dollars.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. RAMSPECK. Mr. Speaker, reserving the right to object, I hope the gentleman from Oklahoma will make his request to speak following the disposition of the leave bill. We have been waiting 2 weeks to take that up.

Mr. MASSINGALE. How long will the leave bill take?

Mr. RAMSPECK. It may take 2 hours or more. There is a great demand for it and we want to dispose of it.

Mr. MASSINGALE. Mr. Speaker, I will modify my request to that extent.

Mr. BIERMANN. I should like to ask the gentleman from Tennessee if he would not feel free to include in his request the consideration of the omnibus private bills? They have been passed over on three different occasions.

Mr. TAYLOR of Colorado. There are a great many bills on the Private Calendar that have not yet been reached and we want to dispose of them first.

Mr. BIERMANN. I shall not object, but we have passed over those omnibus bills on three different occasions.

Mr. MASSINGALE. Mr. Speaker, I modify my request and ask that I may speak after the disposition of the leave bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. TAYLOR of Colorado. Now, Mr. Speaker, I renew my request that it may be in order on Friday next to call individual bills on the Private Calendar.

The SPEAKER. Is there objection?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MORAN, indefinitely, on account of illness.

To Mr. DOCKWEILER, for 10 days, on account of illness in his family.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1793. An act to amend the act entitled "An act authorizing the Attorney General of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602); Committee on Indian Affairs.

#### ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 351. An act for the relief of Jane B. Smith and Dora D. Smith;

H. R. 2125. An act for the relief of George William Henning;

H. R. 3230. An act for the relief of Rufus Hunter Blackwell, Jr.;

H. R. 3641. An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department;

H. R. 3642. An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the police department;

H. R. 3979. An act to safeguard the estates of veterans derived from payments of pension, compensation, emergency

officers' retirement pay, and insurance, and for other purposes;

H. R. 4507. An act to amend sections 1, 2, and 3 of the act entitled "An act to provide for the commemoration of the termination of the War between the States at Appomattox Court House, Va.", approved June 18, 1930, and to establish the Appomattox Court House National Historical Monument, and for other purposes; and

H. R. 7447. An act to amend an act to provide for a Union Railroad Station in the District of Columbia, and for other purposes.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1227. An act to authorize the issuance and sale to the United States of certain bonds of municipal governments in Puerto Rico, and for other purposes;

S. 1629. An act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes;

S. 1726. An act to authorize the Secretary of War to grant a right-of-way for street purposes upon and across the San Antonio Arsenal, in the State of Texas;

S. 2193. An act to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah;

S. 2545. An act to provide funds for acquisition of the property of the Haskell Students Activities Association on behalf of the Indian School known as "Haskell Institute", Lawrence, Kans.;

S. 3289. An act to authorize the attendance of the Marine Band at the United Confederate Veterans' 1935 reunion at Amarillo, Tex.;

S. 3329. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the Fort Knox Military Reservation, Ky., for the construction thereon of certain public buildings, and for other purposes;

S. J. Res. 96. Joint resolution to carry out the intention of Congress, with reference to the claims of the Crow Tribe of Indians of Montana, and any band thereof against the United States;

S. J. Res. 117. Joint resolution to provide for the reappointment of Frederic A. Delano as a member of the Board of Regents of the Smithsonian Institution;

S. J. Res. 139. Joint resolution requesting the President to extend to the International Statistical Institute an invitation to hold its twenty-fourth session in the United States in 1939; and

S. J. Res. 145. Joint resolution authorizing the appropriation of funds for the maintenance of public order and the protection of life and property during the period August 16, 1935, to August 31, 1935, both inclusive.

#### BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that the committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 351. An act for the relief of Jane B. Smith and Dora D. Smith;

H. R. 2125. An act for the relief of George William Henning;

H. R. 3090. An act for the relief of Mayme Hughes;

H. R. 3230. An act for the relief of Rufus Hunter Blackwell, Jr.;

H. R. 3641. An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department;

H. R. 3642. An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the police department;

H. R. 3979. An act to safeguard the estates of veterans derived from payments of pension, compensation, emergency officers' retirement pay, and insurance, and for other purposes;

H. R. 4507. An act to amend sections 1, 2, and 3 of the act entitled "An act to provide for the commemoration of the termination of the War between the States at Appomattox Court House, Va.", approved June 18, 1930, and to establish the Appomattox Court House Historical Monument, and for other purposes; and

H. R. 7447. An act to amend an act to provide for a Union Railroad Station in the District of Columbia, and for other purposes.

#### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 35 minutes p. m.) the House adjourned until tomorrow, Thursday, August 8, 1935, at 12 o'clock noon.

#### EXECUTIVE NOMINATIONS, ETC.

444. Under clause 2 of rule XXIV, a letter from the Secretary of the Treasury, transmitting a proposed bill amending section 3 of the act of August 7, 1912 (37 Stat. 312; 38 U. S. C., sec. 50), was taken from the Speaker's table and referred to the Committee on the Post Office and Post Roads.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SUMNERS of Texas: Committee on the Judiciary. S. 2421. An act to amend the act entitled "An act forbidding the transportation of any person in interstate or foreign commerce kidnaped or otherwise unlawfully detained, and making such act a felony", as amended; without amendment (Rept. No. 1719). Referred to the House Calendar.

Mr. RAMSAY: Committee on the Judiciary. S. 3120. An Act to authorize and direct the Secretary of the Treasury to transfer certain moneys to "Funds of Federal prisoners"; without amendment (Rept. No. 1720). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSAY: Committee on the Judiciary. S. 3328. An act to provide an official seal for the United States Veterans' Administration, and for other purposes; with amendment (Rept. No. 1721). Referred to the Committee of the Whole House on the state of the Union.

Mr. LLOYD: Committee on the Judiciary. Senate Joint Resolution 23. Joint resolution giving consent of the Congress of the United States to the States of Washington, Oregon, and Idaho, or any two of said States, to agree upon the jurisdiction to be exercised by said States over boundary waters between any two or more of said States; with amendment (Rept. No. 1722). Referred to the House Calendar.

Mr. DUFFY of New York: Committee on the Judiciary. Senate Joint Resolution 122. Joint resolution granting the consent of Congress to the States of New York and Vermont to enter into an agreement amending the agreement between such States consented to by Congress in Public Resolution No. 9, Seventieth Congress, relating to the creation of the Lake Champlain Bridge Commission; without amendment (Rept. No. 1723). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. House Joint Resolution 349. Joint resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to enter into a compact for the creation of the Interstate Sanitation District and the establishment of the Interstate Sanitation Commission; without amendment (Rept. No. 1724). Referred to the House Calendar.

Mr. McREYNOLDS: Committee on Foreign Affairs. Senate Joint Resolution 168. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 16 to May 23, 1936, inclusive; without amendment (Rept. No. 1725). Referred to the Committee of the Whole House on the state of the Union.

Mr. KEE: Committee on Foreign Affairs. S. 2891. An act to provide for the adjustment and settlement of personal

injury and death cases arising in certain foreign countries; without amendment (Rept. No. 1726). Referred to the Committee of the Whole House on the state of the Union.

Mr. FORD of Mississippi: Committee on Accounts. House Resolution 284. Resolution to amend House Resolution 226; with amendment (Rept. No. 1728). Referred to the House Calendar.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 8748. A bill authorizing a preliminary examination of Weldon River in Mercer County, Mo., with a view to the controlling of floods; without amendment (Rept. No. 1729). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 8751. A bill to provide a preliminary examination of the Fox River and its tributaries in Wisconsin and Illinois; without amendment (Rept. No. 1730). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILSON of Louisiana: Committee on Flood Control. H. R. 8797. A bill to provide a preliminary examination of Onondaga Creek in Onondaga County, State of New York, with a view to the control of its floods; without amendment (Rept. No. 1731). Referred to the Committee of the Whole House on the state of the Union.

Mr. DRIVER: Committee on Rules. House Resolution 320. Resolution providing for the consideration of S. 3123; without amendment (Rept. No. 1732). Referred to the House Calendar.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 8372. A bill to authorize the acquisition of lands in the vicinity of Miami, Fla., as a site for a naval air station and to authorize the construction and installation of a naval air station thereon; with amendment (Rept. No. 1733). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. S. 2521. An act amending section 5 of Public Law No. 264, Seventy-third Congress, approved May 29, 1934, relative to the appointment of Naval Academy graduates as ensigns in the Navy; without amendment (Rept. No. 1734). Referred to the Committee of the Whole House on the state of the Union.

#### REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. H. R. 9033. A bill for the relief of Helen Gallagher Dominian; without amendment (Rept. No. 1727). Referred to the Committee of the Whole House.

Mr. MAAS: Committee on Naval Affairs. H. R. 8883. A bill for the relief of Lt. Robert A. J. English, United States Navy; without amendment (Rept. No. 1735). Referred to the Committee of the Whole House.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 9060) to provide funds for cooperation with the public-school district at Hays, Mont., for construction and improvement of public-school buildings to be available for Indian children; to the Committee on Indian Affairs.

Also, a bill (H. R. 9061) to credit the tribal funds of the Indians of the Fort Belknap Indian Reservation in Montana with certain sums expended therefrom for the purchase and maintenance of a tribal herd, and for the purchase of horses destroyed during a dourine epidemic; to the Committee on Indian Affairs.

By Mr. GOODWIN: A bill (H. R. 9062) authorizing a preliminary examination and survey of the Esopus Creek and its tributaries of Birch, Bushnellville, Woodland, Warner, Bushkill, and Beaverkill Creeks; Sawkill, Rondout, and Neversink Creeks, Ulster County; Schoharie and Catskill Creeks, Greene County; Neversink, Beaverkill, East Branch of Delaware, Willowemoc, and Lackawack Rivers, Sullivan



County; Schoharie Creek and its tributaries, Schoharie County, all located in the State of New York, with a view to the controlling of floods; to the Committee on Flood Control.

By Mr. SABATH: A bill (H. R. 9063) to amend section 7, paragraph 28, subparagraph (d) of an act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 1903, and for other purposes", approved July 1, 1902; to the Committee on the District of Columbia.

By Mr. WILSON of Louisiana: A bill (H. R. 9064) to amend an act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928; to the Committee on Flood Control.

By Mr. BLOOM: Resolution (H. Res. 319) providing for the appointment of a special committee to investigate the use of public alleys in the District of Columbia; to the Committee on Rules.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOXEY: A bill (H. R. 9065) for the relief of Henry Thornton Meriwether; to the Committee on Naval Affairs.

By Mr. FLETCHER: A bill (H. R. 9066) granting a pension to Rachel A. Updegraff; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 9067) for the relief of Sadie N. Pike and Edward W. Pike; to the Committee on Claims.

By Mr. SHANNON: A bill (H. R. 9068) for the relief of Helen Marie Lewis; to the Committee on Claims.

#### PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9287. By the SPEAKER: Resolution of the Chudnover K. U. V., of Newark, N. J., protesting against anti-Jewish activities in Germany; to the Committee on Foreign Affairs.

9288. By Mr. HIGGINS of Massachusetts: Resolution of the Massachusetts State Building Trades Council, to be recorded in opposition to the appointment of social workers and other persons who have no labor-relations experience to positions that have a direct contact and influence upon the workers employed on W. P. A. and P. W. A. projects, and we petition for representation in the Works Progress Administration through the appointment of representatives of labor who, by training, experience, and qualification, are competent to carry out the duties relating to problems that come under the heading of labor relations, grievances, and working conditions; to the Committee on Labor.

### SENATE

THURSDAY, AUGUST 8, 1935

(Legislative day of Monday, July 29, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

#### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, August 7, 1935, was dispensed with, and the Journal was approved.

#### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Borah	Capper	Costigan
Ashurst	Brown	Caraway	Davis
Austin	Bulkeley	Carey	Dieterich
Bachman	Bulow	Chavez	Duffy
Bankhead	Burke	Clark	Fletcher
Barkley	Byrd	Connally	Frazier
Bone	Byrnes	Copeland	George

Gerry	Loneragan	Norris	Steiwer
Gibson	McAdoo	Nye	Thomas, Okla.
Glass	McGill	O'Mahoney	Thomas, Utah
Gore	McKellar	Pittman	Townsend
Guffey	McNary	Pope	Trammell
Hale	Maloney	Reynolds	Vandenberg
Harrison	Metcalf	Robinson	Van Nuys
Hatch	Minton	Russell	Wagner
Johnson	Moore	Schall	Walsh
King	Murphy	Schwellenbach	Wheeler
La Follette	Murray	Sheppard	White
Lewis	Neely	Shipstead	
Logan	Norbeck	Smith	

Mr. LEWIS. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from Alabama [Mr. BLACK], the Senator from Massachusetts [Mr. COOLIDGE], the Senator from Ohio [Mr. DONAHEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. McCARRAN], the junior Senator from Maryland [Mr. RADCLIFFE], the Senator from Missouri [Mr. TRUMAN], and the senior Senator from Maryland [Mr. TYDINGS] are necessarily detained from the Senate.

I also announce that the Senator from West Virginia [Mr. HOLT] is absent because of illness.

I ask that this announcement may stand in the RECORD for the day.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR], the Senator from Iowa [Mr. DICKINSON], the Senator from Delaware [Mr. HASTINGS], and the Senator from New Hampshire [Mr. KEYES] are necessarily absent.

Mr. VANDENBERG. My colleague the senior Senator from Michigan [Mr. COUZENS], as announced heretofore by me, is absent from the Senate because of illness.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

#### PETITIONS

The VICE PRESIDENT laid before the Senate a resolution adopted by the annual meeting of the American Bar Association at Los Angeles, Calif., favoring the enactment of the joint resolution (H. J. Res. 237) for the establishment of a trust fund to be known as the "Oliver Wendell Holmes Memorial Fund", which was ordered to lie on the table.

Mr. BACHMAN presented the following joint resolution of the Legislature of the State of Tennessee, which was referred to the Committee on Claims:

#### Senate Joint Resolution 3

Whereas our State borders on the east of the Mississippi River, along which lie the fertile counties of Obion, Lake, Dyer, Lauderdale, Tipton, and Shelby; and

Whereas thousands of acres of very fertile land bordering upon the great Father of Waters, the Mississippi River, are affected by the said river, these lands being known as the delta lands of Tennessee; and

Whereas these lands are much more seriously affected by the said Mississippi River because of the maintenance of the levee by the General Government on the opposite side of the said river, the maintenance of the said levee being for the protection of the vast territory of fertile lands in our sister States of Missouri and Arkansas; and

Whereas the maintenance of the said levee causes the river to overflow the delta and fertile lands of Tennessee and do great injury and damage to the property, including the lands and crops and other property, to the owners of said lands, and inhabitants of the said territory; and

Whereas the maintenance of the said levee for the protection of our sister States is the prime cause of much property damage and destruction in our State and to the extent that many have been made homeless and have been deprived of their property rights that they have enjoyed and would enjoy if it were not for the maintenance of the said levee; and

Whereas the maintenance of the levee amounts to the taking and appropriation of the property rights of our citizens without due process of law and without compensation; and

Whereas we recognize that our citizens have a right to be compensated for the damage done to them and the taking of their property, and we are of the opinion that it is the duty of the General Government to give just compensation upon some feasible plan to our citizens for the property taken and the damage done: Therefore be it

Resolved, First, that the Governor and the secretary of our State be, and they are hereby, requested and directed to certify this resolution to our General Government and that it be certified to the President and to the Congress, and that a copy be forwarded to each Member of Congress and of the Senate representing our State, and that the Governor and secretary of state over the seal of our great State make solemn request of the General Government to hear the complaint of our citizens so vitally affected